



2026

ANNUAL IMPACT REPORT

At L Catterton, we believe sustainability is fundamental to how iconic, category-defining consumer businesses create long-term value.

By integrating environmental, social, and governance (ESG) considerations into how companies grow and operate, we foster resilience, operational excellence, and high-performing cultures.

For us, sustainability is not a separate objective; it is an essential component of disciplined investing, long-term value creation, and it is our responsibility as investors and global citizens.



Birkenstock



Boll & Branch



John Hardy

A NOTE FROM THE SENIOR LEADERSHIP TEAM

Consumer businesses today are operating in one of the most dynamic periods in recent history. Preferences continue to evolve, technology is reshaping all aspects of how companies operate, and expectations for products, brands, and business practices are higher than ever before. In this environment, companies that grow and endure are rarely defined by their products alone – they are defined by their ability to adapt, evolve alongside consumers, and navigate change while maintaining strong execution.

As consumer-focused investors, we see these shifts play out in real time across

categories, channels, and geographies. We have spent decades partnering with management teams to build and scale leading consumer businesses. In our experience, how a business is built is often just as important as what it builds. That perspective continues to shape our approach to sustainability: we do not view sustainability as a reporting obligation or a standalone initiative. Rather, we view sustainability as fundamental to building businesses that can adapt, compete, and succeed.

The perspectives, examples, and data presented in our 2026 Impact Report reflect how we translate that philosophy into

practice across our Firm and our portfolio. We are encouraged by the progress made to date and excited for the opportunities ahead.

Ultimately, our work is grounded in one priority: to deliver strong returns for our investors. We believe that a disciplined and practical approach to sustainability supports that priority by informing how we evaluate opportunities, operate businesses, and position investments for long-term success. As the global consumer landscape continues to evolve, we remain focused on approaching these issues with pragmatism, adaptability, and disciplined execution.

With tremendous thanks,



J. Michael Chu
Executive Chairman & Co-Founder

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Scott A. Dahnke
Global Chief Executive Officer

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Nik Thukral
President

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2025 FIRM AND PORTFOLIO HIGHLIGHTS

Firm-Level Highlights

4th

annual EDCI submission validated

5th

UN PRI Report completed

2nd

TCFD-aligned Climate Report

7th

consecutive year certified as a “Great Place to Work”

8th

ESG portfolio survey conducted

100%

of employees offered annual ESG training

100%

of employees provided with data privacy and security, compliance, and anti-discrimination and harassment training

49%

of total hires were female (trailing five years)

Portfolio-Level Highlights

49%

portfolio fair market value (FMV) tracking GHG emissions

84%

of FMV providing ESG data in annual survey

30%

of portfolio companies with a female founder or CEO

12

certified B Corps

74%

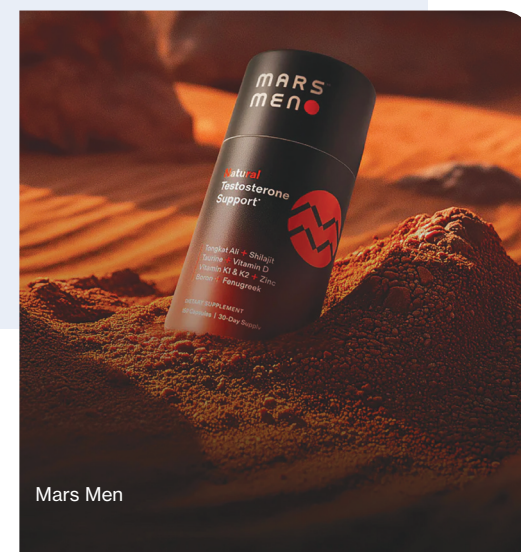
of portfolio companies with a woman on the board



Tenways



Restoration
Hardware



Mars Men

Q&A WITH SCOTT DAHNKE, GLOBAL CEO, AND DEVON LEAHY, GLOBAL HEAD OF SUSTAINABILITY



Scott A. Dahnke
Global Chief
Executive Officer



Devon Leahy
Global Head
of Sustainability

The sustainability landscape is constantly shifting. How have you seen consumer brands adapt their approach in response?



Scott Dahnke: One advantage of being a consumer-focused investor is that we spend significant time examining and understanding consumer preferences and behaviors. Through the work of our Consumer Insights team, we closely track the role sustainability plays in purchase decisions and brand perception.

What we increasingly see is that sustainability and ESG are no longer viewed as a values overlay. The most

successful consumer brands have integrated sustainability into how they build resilience, strengthen operations, attract talent, and create long-term value.

At the consumer level, sustainability-related purchase drivers gaining the most traction are those with clear personal benefits. Clean ingredients, increased durability, and intuitive packaging design continue to resonate more strongly than broad environmental or altruistic claims. Consumer surveys consistently show that planetary and social impact matter to people – yet in practice, sustainability credentials rarely move the needle at the point of purchase. Price, availability, aesthetics, and efficacy almost always win out. This isn't necessarily a contradiction. Purchasing decisions are rarely driven by a single factor, and sustainability considerations sit on a spectrum, layered alongside other priorities in ways that shift by person, product, and moment.



Devon Leahy: There is another dynamic we are seeing in the consumer economy, which is the continued rise of transparency. As technology creates

greater visibility into how and where products are made, expectations for brands to operate responsibly have increased. For example, disclosing where your products are made and under what working conditions is more discoverable. With these kinds of insights, consumers are understandably more skeptical of brands making sweeping declarations about planetary impact. This is another reason we continue to see the shift away from broad sustainability claims to more personally relevant narratives centered on the benefits that matter most to consumers.

Beyond changes in brand marketing and communications, we are also tracking meaningful shifts in how companies embed sustainability into their operations. Today, these priorities are driven by commercial best practices rather than purpose statements alone. Examples of this include strengthening supply chain resilience, improving cost efficiency, attracting and retaining talent, and meeting evolving compliance obligations.

Sustainability and ESG strategies are becoming embedded in core business operations, helping companies build resilience, improve operational discipline, and support high-performing cultures. These attributes create value throughout the investment lifecycle and become particularly important at exit, where prospective buyers evaluate governance structures, supply chain resilience, and employment practices, among other ESG-related considerations as part of their diligence.

Managing ESG issues and sustainability strategies continues to increase in complexity. How does L Catterton make sense of this complexity, and how has your approach adapted?

SD: The range of ESG issues material to our portfolio continues to expand. Each year, we incorporate new topics into our diligence and ongoing portfolio reviews to keep pace with market best practices, regulatory developments, and investor priorities.

Artificial intelligence (AI), for example, has the potential to fundamentally reshape how consumer businesses

operate, compete, and create value, while also introducing new considerations related to governance, oversight, and responsible use. Across our Firm and our portfolio, we are increasingly focused on how AI can strengthen consumer insights, improve decision-making, accelerate innovation, and enhance performance while ensuring thoughtful and responsible deployment.

More broadly, we see this as part of our role as an investor: anticipating emerging issues and equipping our portfolio companies to understand the opportunities they create while navigating the risks they present. We're not simply looking to manage complexity, but to position our portfolio companies to benefit from it.

DL: Beyond the growing number of ESG topics we manage, two other factors have made the landscape increasingly complex. One is the global regulatory environment. Most major ESG-related legislation continues to advance, but shifting timelines, evolving scopes of liability, and the fragmented nature of local, national, and regional frameworks make preparation challenging – particularly as many regulations increasingly extend to smaller, non-listed companies.

The other is the growing divergence in investor and societal priorities across geographies. Stakeholder expectations vary enormously – some markets are intensifying their focus on gender equity and social inclusion, while others are prioritizing climate risk and decarbonization.

To navigate this, we maintain active dialogue with investors and stakeholders to stay ahead of emerging expectations. We also leverage data and AI-enabled capabilities to identify potential ESG risks in real time and track regulatory developments across the portfolio. Finally, we combine internal expertise and external resources to provide our portfolio companies with practical, actionable guidance, regardless of the topic.

What are some of the ways you are supporting portfolio companies as they navigate changes across the ESG landscape?

DL: Our support is designed to be practical, tailored to each business's needs, and aligned with value creation priorities. The specific areas of focus vary by company, but some

recent examples include supporting companies in calculating their carbon footprint, identifying energy efficiency opportunities, and designing broad-based employee ownership plans.

A growing part of our work involves helping companies navigate the increasingly complex regulatory environment. One example from this past year involved supporting a portfolio company in assessing its exposure across multiple overlapping regulatory requirements. We then worked with the company to build a compliance tracking framework to monitor changes over time, helping management integrate these considerations into existing business processes in a practical and manageable way.

What are the priorities for the next phase of the program?

SD: As we look ahead, our ambition is to continue meeting and exceeding the expectations of our investors and other industry stakeholders while building on the strong foundation we have developed over the past decade.

That means continuing to strengthen the infrastructure that underpins our program – enhancing our reporting and benchmarking practices, deepening the quality and transparency of our engagement with LPs, and evolving our policy and governance frameworks to ensure consistent and rigorous oversight across the portfolio.

DL: Building on that foundation, there are three areas where we see the greatest opportunity to drive impact in the next phase of the program.

The first is ESG data. Data helps us measure progress and identify opportunities for improvement. We are focused on strengthening the quality and coverage of data across our funds and enhancing our analytical capabilities to create KPI dashboards in areas like board makeup and climate risk.

The second is portfolio company engagement. We are deepening our direct support of portfolio companies through one-on-one advisory sessions, workshops, third-party training, and the continued development of our Resource Hub. Our current areas of focus include helping companies strengthen climate measurement capabilities and advancing gender initiatives.

The third is employee ownership. Employee ownership is a powerful driver of value creation by strengthening employee engagement, retention, and alignment with long-term business performance. We are building on our partnership with Ownership Works while expanding deal team education and engagement on this important value creation initiative.

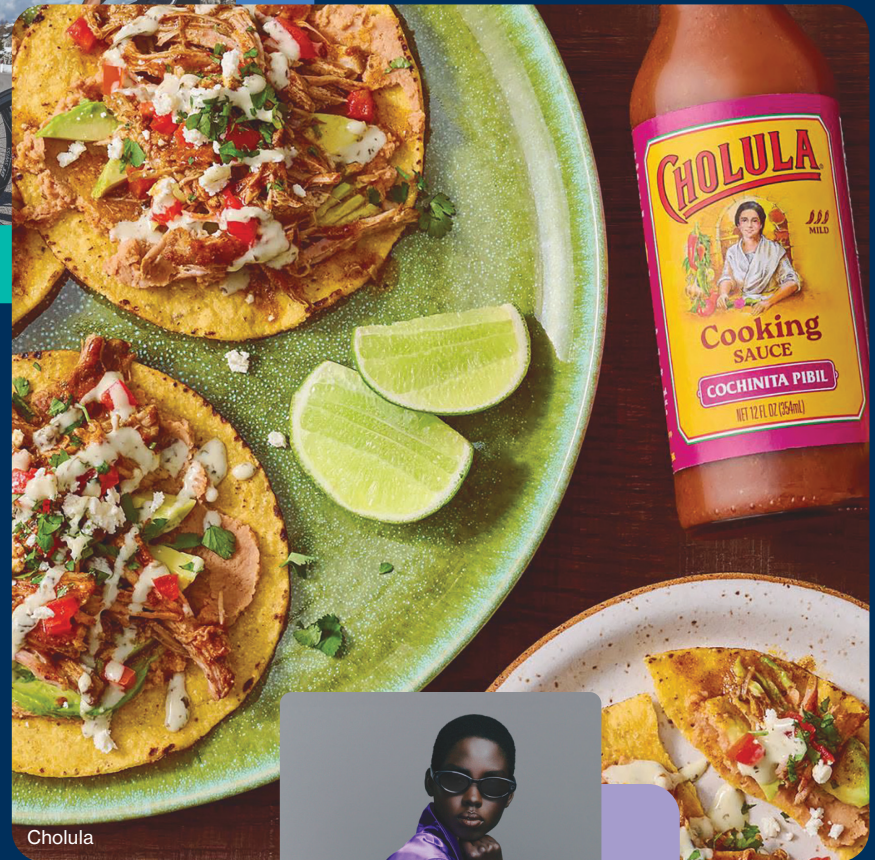
SD: It should be evident that our approach is designed to be durable and evolve alongside the businesses we invest in and the markets in which they operate. To that end, we will continue to build the capabilities most relevant to the long-term success of our investments.

Overall, our key priority remains unchanged: helping build iconic, category-defining consumer businesses. We believe sustainability is fundamental to that ambition; not as a separate objective, but as a driver of resilience, operational excellence, strong cultures, and long-term value creation.

2025 FIRM AND PORTFOLIO PROGRESS



Pinarello



Cholula



Gentle Monster

Strengthening Portfolio Monitoring and Execution

ESG Action Plans remain a central tool for translating diligence findings into actionable priorities during the ownership period. Across the portfolio, these plans are used to identify material ESG risks and opportunities, define corrective actions and operational improvements, and support ongoing monitoring and execution over time.

In 2025, we continued expanding portfolio-level monitoring of ESG Action Plan initiatives to better track implementation and support execution throughout the ownership period. During the 2025 monitoring cycle, several initiatives identified in prior years were fully implemented and closed.

For example, an initiative aimed at strengthening supply chain transparency and forced labor risk management resulted in enhanced public disclosures and targeted procurement training. An initiative to bolster cybersecurity controls led to the implementation of employee cybersecurity training, regular



vulnerability testing, and updates to key security policies; similarly, an initiative to establish more formal employee feedback channels contributed to the expansion of employee surveys and enhanced incident reporting processes. Together, these examples speak to the direct impact our monitoring program can have – creating accountability and supporting initiative implementation.

Across the 33 portfolio companies we monitored in 2025, 72 Action Plan initiatives were completed, demonstrating continued progress in strengthening ESG management across the portfolio.

72

ESG Action Plan initiatives
were completed in 2025

We also identified 62 new initiatives to continue enhancing the risk management and operational performance of our portfolio.

The most common focus areas represented across these initiatives were:

32%

Culture & Inclusion

15%

Ethics & Compliance

13%

Climate Change

Many of the Culture & Inclusion initiatives focused on strengthening gender representation and workplace practices in alignment with the 2X Challenge. Ethics & Compliance initiatives emphasized responsible AI governance as adoption increased across the portfolio. Climate-related initiatives focused on preparing companies for emerging regulatory requirements and evolving customer and commercial expectations.



Enhancing ESG Action Plan Consistency and Execution

Following enhancements made in 2024, we have continued refining the quality, consistency, and utility of ESG Action Plans.

The ESG monitoring process is intended to ensure that ESG Action Plans function as business management tools, evolving alongside portfolio company priorities and supporting ongoing oversight of ESG risks and opportunities.

As part of this approach, we continue to focus on ensuring diligence findings are translated into practical priorities throughout the ownership period. In addition to establishing priorities, accountability, and timelines, we conduct post-investment alignment sessions with management teams to reinforce ownership of key initiatives and support consistent execution over time.

Supporting Governance and Investment Integration

The ESG Steering Committee and the Global ESG Committee are core to L Catterton's sustainability governance. Comprised of senior



leaders across key Firm functions and each of our global strategies, our ESG committees ensure we continue to deliver on our global policy and commitments. To further enhance our approach to global governance, we updated our Environmental and Social Management Systems (ESMS) framework to detail how our ESG program operates in each of our funds.

The ESMS framework helps guide how ESG requirements and expectations are incorporated across investment decisions, portfolio-level practices, and Firm-level commitments. Recent updates reflect evolving regulatory

expectations, ongoing engagement with investors and other stakeholders, and continued learning from implementation across our portfolio.

To support implementation, we continued expanding targeted ESMS training across investment teams, including dedicated regional sessions, with additional training planned across relevant strategies.

Expanding Portfolio Resources and Support

In 2025, we continued expanding the resources and support available to portfolio companies, focusing on practical implementation, regulatory preparedness, and execution. Core initiatives included climate measurement support, guidance on supply chain diligence, and foundational resources related to AI oversight and governance.

We hosted workshops on sustainability and regulatory topics relevant to portfolio company operations, including sessions on greenhouse gas (GHG) accounting fundamentals and U.S. Packaging Extended Producer Responsibility (EPR) regulations.

To support ongoing implementation efforts, we expanded the Firm's ESG & Sustainability Resource Hub with new tools and guidance materials, including a Climate Strategy Starter Kit and Extended Producer Responsibility compliance resources.

Reviewing Our Climate Risk

L Catterton developed a Climate Risk Dashboard in 2025 to facilitate regular climate risk reviews across the portfolio. These assessments are designed to provide a structured view of potential physical and transition risks across a range of climate-related factors, including acute and chronic risks, as well as transition risks associated with evolving technologies, regulatory developments, changing market dynamics, and reputational considerations.

These insights may then be used to inform ongoing engagement across the portfolio, helping to prioritize areas for further analysis and supporting the integration of climate-related considerations into broader business planning and risk management processes.

Since launching the dashboard, L Catterton has built climate risk

and capacity profiles for 81 portfolio companies through a combination of annual monitoring reviews and baseline assessments. Overall, more than 95% of companies assessed were rated as having low or medium physical and transition climate risk exposure.

Within this population, 45 companies are annually monitored, a process that provides year-over-year data enabling us to track changes in climate risk and capacity, identify opportunities for engagement, share leading practices, and focus discussions with management teams.

Responsible AI Use Across the Firm

AI is reshaping how consumer businesses operate, compete, and create value – and likewise, how we invest in and support them. As we have continued to expand our AI capabilities, we have advanced our approach to responsible AI. We think about the value and responsible use of AI in three key ways.

First, we are integrating AI-enabled tools across investment, portfolio operations, and Firm functions to strengthen how we source opportunities, conduct

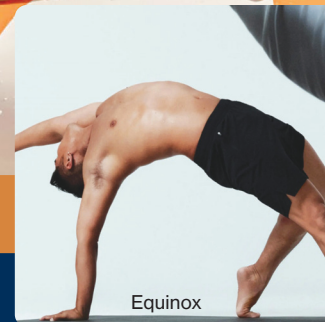
underwriting, analyze businesses, and support decision-making.

Second, through our Data + AI team, we are helping portfolio companies identify and capture opportunities through AI-enabled tools, repeatable playbooks, thought leadership, and practical implementation support. Current areas of focus include marketing, demand forecasting, supply chain optimization, operational performance, and other applications designed to support growth and value creation.

Third, we continue to develop governance frameworks, responsible use guidance, and employee education programs to ensure AI adoption is thoughtful and appropriately governed. This includes ongoing evaluation of emerging use cases, refining guidance, and continuing to focus on data governance, accountability, and risk management.

These priorities reflect how we think about AI – not as a standalone initiative, but as an increasingly important component of how we invest, operate, and support our portfolio companies.

OUR FIRM, PEOPLE & IMPACT



At L Catterton, culture is foundational to how we invest, operate, and build enduring consumer businesses. Across markets, sectors, and strategies, we believe a strong culture shapes decision-making, strengthens collaboration, and supports long-term value creation.

Our own culture is grounded in a shared set of values that shape

OUR CULTURAL VALUES

Commitment to Excellence

Creativity

Character

Courage

Low Ego

Continuous Improvement

Collaboration

Curiosity

Candor

how we evaluate opportunities, engage with management teams, and support our portfolio companies. We believe differentiated outcomes are driven not only by analytical rigor, but also by the ability to think creatively, challenge assumptions, and identify opportunities others may overlook.

As consumer-focused investors, we recognize that resilient businesses are built through strong leadership, engaged teams, and cultures that can adapt alongside evolving consumer preferences, technologies, and operating conditions.

These values are reflected not only in our investment approach,



but also in how we support our people, communities, portfolio companies, and broader industry ecosystem through initiatives focused on leadership development, learning, mentorship, and long-term organizational growth.



Firm Commitments and Initiative Updates

Community Engagement

We support the communities in which we operate through employee volunteerism, charitable partnerships, and local engagement initiatives. Across global offices, employees participate in initiatives such as Days of Service and ongoing charitable efforts that support local organizations and community programs. These efforts are grounded in the belief that strong local communities contribute to healthier economies and long-term business success.

125+

employees participated in community engagement activities

In 2025, more than 125 employees participated in community engagement activities across three regions and four service sites, contributing over 275 hours of service.

Personal Growth and Continuing Education

Continuous improvement remains a key component of our culture, approach to talent development, and ability to



operate effectively in a dynamic market environment. Building on the belief that ongoing professional and personal growth supports both individual performance and

Firm-wide success, L Catterton supports a range of development opportunities, including continuing education, mentorship, networking initiatives, and participation in industry events.

In 2026, we further expanded access to learning through a partnership with Coursera, providing employees with a broad range of courses across leadership, analytics, finance, and

technology topics. Together, these resources help employees deepen expertise, build new capabilities, and stay connected to evolving trends across the consumer and investment landscape.

Talent Development

We believe a range of perspectives strengthens decision-making and supports our ability to build consumer brands that resonate with broad and evolving customer bases. Gender representation across the Firm, in particular, remains an important focus within our broader approach to talent development and organizational growth.

We also continue to invest in employee experiences through a combination of structured programs and ongoing engagement efforts that support development, communication, and retention across teams.

Across the organization, such initiatives include global onboarding and training programs, mentorship and buddy systems, manager development initiatives, executive coaching, and regular engagement forums such as town halls, team events, and targeted pulse surveys. These efforts support our strong employee engagement results, with 86% of employees indicating *L Catterton* is a “Great Place to Work,” and a 78% participation rate in our most recent survey.

We also continue to participate in industry initiatives focused on leadership development and talent advancement, including as a signatory to ILPA’s Driving Inclusion in Alternatives initiative and the CEO Action for Diversity & Inclusion pledge.

LC Academy

LC Academy is an experiential program designed to provide undergraduate students with early exposure to careers in private equity and consumer investing. The program combines classroom learning, mentorship, and hands-on experience, including case work tied to active portfolio companies.

Now in its third year, the program continues to bring together a small cohort of participants to engage directly with *L Catterton* professionals across functions, gaining insight into the Firm’s investment approach, culture, and career pathways. In 2025, the program hosted eight participants, with feedback highlighting the value of direct exposure to the Firm’s investment process and the opportunity to develop a deeper understanding of the private equity model. The program was also recognized for its highly curated format and strong engagement across the Firm, reinforcing its role in introducing future talent to the Firm and the broader industry.

~47%

of total professionals
are women

~25%

of senior investment
roles (Principal/Director
and above) are women



Royalmount



L Catterton Days of Service

The program also emphasizes ongoing engagement, with alumni remaining connected through mentorship, recruiting opportunities, and continued interaction with team members.

Talent Partnerships

We partner with organizations dedicated to expanding access to careers in investing and advancing diverse talent pipelines across the industry. These partnerships span student sponsorships, internship and mentorship programs, and initiatives that support leadership development and professional growth.

In addition to LC Academy, the Firm's partnerships include long-standing relationships with organizations such as Sponsors for Educational Opportunity (SEO), Girls Who Invest, and Synergist, as well as engagement with business school programs including Women in Investing at Harvard Business School and Wharton. Through these partnerships, we engage with candidates across different stages of the talent pipeline and support educational and professional development programming.

SEO



girls who invest

LEVEL 20

Synergist

WII WOMEN IN INVESTING
A STUDENT CLUB AT HARVARD BUSINESS SCHOOL

Signature Leadership Initiative

PRISM

PRISM, our proprietary board development program focused on advancing female leadership in the consumer sector, remains one of the Firm's flagship leadership initiatives. We created the program to address a persistent structural gap: the underrepresentation of women in board and senior leadership roles across consumer businesses.

Since its launch, PRISM has brought together 90 senior female executives across five cohorts, including 17 participants in 2025 and 18 in 2026. Supported by an Advisory Board of experienced corporate directors who serve as mentors and connectors, the PRISM program combines leadership development with access to a broader network of board and operating opportunities.



Many participants continue engaging with the Firm and portfolio companies through market insights, talent referrals, and board participation. Over time, the program has also expanded L Catterton's network of experienced executives across the consumer sector, supporting leadership pipelines and board engagement opportunities across the Firm and portfolio companies. In 2025, PRISM supported three board placements across the portfolio in the pet and wellness sectors. In a recent instance, one participant noted that her

experience with PRISM influenced her decision to join an L Catterton portfolio company over a competing offer.

The program's outcomes, including 80% of program graduates securing board roles within 2 years of completing the program, underscore its role in expanding access to governance opportunities while strengthening leadership across the sector.

Looking ahead, PRISM aims to place greater emphasis on sustained engagement across cohorts, including plans to convene participants and alumnae for a program-wide gathering to strengthen connections and expand the network's ongoing value.



18

members of the 2026
PRISM Cohort

72

alumnae to date

80%

of alumnae with
a board seat

Industry Initiatives

We continue to support initiatives across the broader consumer and investment ecosystem that focus on leadership development, talent connectivity, and long-term organizational growth.

2X Challenge

The 2X Challenge is a global initiative launched in 2018 and backed by G7 Development Finance Institutions that promotes investment practices supporting women's participation in leadership, quality employment, access to finance, and enterprise support.

L Catterton's participation in the 2X Challenge began in 2022 and is currently concentrated within



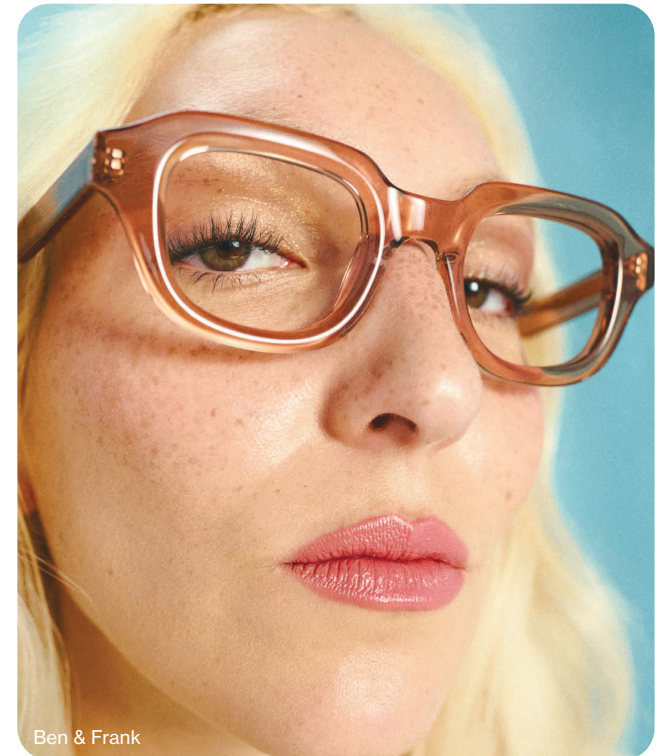
Crediclub

our Latin America platform, where gender-related considerations are incorporated into investment diligence and portfolio stewardship. While regionally focused today, the principles underlying the 2X framework reflect broader themes that can support organizational effectiveness and long-term business performance across portfolio companies.

Over the past year, we have continued refining how 2X-related considerations are scoped during diligence and incorporated throughout the ownership period. We now more explicitly assess potential areas of 2X alignment during diligence, including indicators such as workforce and leadership gender representation, harassment policies and safeguards, human rights controls, and human capital management systems. We then develop practical recommendations to support a company's progress against relevant criteria, including strengthening internal policies, improving data collection and reporting practices, and enhancing governance and accountability frameworks.

Companies that adopt 2X-aligned practices have historically demonstrated

stronger employee retention and productivity, broader access to underserved customer segments, enhanced governance and decision-making, increased access to capital, and stronger customer engagement and organizational resilience. Following investment, we engage with portfolio companies on a recurring basis to monitor progress, validate implementation assumptions, and evaluate alignment as business priorities evolve.



Ben & Frank



Strengthening internal processes related to 2X alignment reflects our view that leadership diversity can support sound governance, organizational effectiveness, and long-term business resilience across portfolio companies.

Ownership Works

We continue to evaluate broad-based employee ownership as a component of long-term talent and organizational strategies at our portfolio companies. We believe ownership alignment, when implemented thoughtfully, can support workforce engagement, talent retention, and long-lasting organizational performance.

Supporting our deal teams and portfolio management in evaluating employee ownership models is part of our efforts to encourage practices that help businesses differentiate themselves as employers and drive engagement across the workforce.

As a founding member of Ownership Works, alongside nearly 60 other private, public, and non-profit partners, L Catterton engages on this topic not only at the portfolio level, but also as part of a broader effort to advance best practices across the private equity and consumer investment ecosystem.

Over the past year, we have deepened our collaboration with Ownership Works to assess the potential applicability of employee ownership models across a wider range of regions, investment strategies, and company profiles. In parallel, we have continued to strengthen internal processes to develop a more intentional and disciplined approach to applying employee ownership where it can be most effective. This year, we worked with Ownership Works to refine guidance around timing and implementation, developed internal tools to help assess potential ownership fit earlier in the diligence process, and trained our teams on employee ownership models and how to use these new tools.

This intentional approach reflects a shift from participation to prioritization. Rather than viewing employee ownership as a standalone initiative, we believe that, when aligned with company context, it can reinforce engagement, accountability, and employer of choice positioning.

While not a fit for every business, employee ownership can complement broader talent and workforce strategies, supporting attraction, retention, and engagement as companies scale. Further detail on these impacts is discussed in the *Talent* section of this report.



VALUE CREATION IN ACTION



OUR APPROACH

Our sustainability approach focuses on four levers of value creation: Brand, Efficiency, Talent, and Resilience. Rooted in our consumer heritage, this framework translates sustainability priorities into commercial outcomes, helping companies earn consumer trust, improve operational performance, and strengthen long-term competitiveness. By embedding ESG considerations into our value creation playbook, we enable portfolio companies to:

- Build authentic, differentiated brands;
- Drive efficiency through resource optimization;
- Develop and retain talented, inclusive teams; and
- Increase resilience by anticipating regulatory, environmental, and reputational risks.





BRAND

VALUE CREATION IN ACTION

Brand

For consumer businesses, sustainability increasingly shapes how brands are built, evaluated, and trusted. Embedding sustainability into operations and communicating related efforts clearly and credibly can strengthen brand positioning in categories where product claims, ingredient integrity, and labor practices face growing scrutiny from consumers, retailers, and regulators.



“

We wanted to show our climate footprint more openly and transparently with our communities, not just talk about it. The results from the LCA and reduction plan, which earned us the Climate Pledge Friendly badge on Amazon, give us that foundation, and that’s how we build trust in our work to lead sustainable beauty. ”

Tina Malmberg,
Maria Nila

Spotlight:

Maria Nila



Maria Nila, a Swedish professional haircare brand, has continued to advance product-level sustainability efforts, aligned with its brand focus on vegan, cruelty-free products and environmentally conscious formulations and product design.

As part of this work, the company conducted a life cycle assessment and developed product-level emissions reduction plans to support ClimeCo certification for select products. This certification enables *Maria Nila* to participate in Amazon’s Climate Pledge Friendly program, an initiative that highlights products meeting defined sustainability standards through dedicated badges and product filters, supporting increased visibility and customer discovery on the platform. Given Amazon’s importance and impact, aligning with this program represented a key commercial opportunity.

In parallel, *L Catterton* supported *Maria Nila* in evaluating how this certification aligns with other retailer sustainability programs, with a view toward supporting potential future distribution across additional channels. As participation in these types of programs increases, the company is also refining how product sustainability attributes are presented across digital channels, ensuring alignment between underlying certifications and how products are surfaced and understood by consumers.

Additional detail is available in the Case Study Library.

Why Brand Matters

As sustainability expectations evolve across the consumer sector, brand-related sustainability considerations are becoming more closely tied to commercial performance and risk management.

Consumer Trends and Vertical Sourcing

Consumer research continues to indicate that sustainability attributes influence purchasing decisions for certain segments. Younger consumers and higher income households, in particular, have shown greater willingness to engage with and pay for products with credible sustainability characteristics when those attributes align with product performance, quality, and safety.

Within this context, L Catterton's vertical sourcing process plays a critical role at the investment stage. The Firm's sector-focused approach to deal sourcing and diligence provides early visibility into emerging consumer preferences, regulatory trends, and category-specific sustainability expectations. This perspective informs how sustainability considerations are evaluated during



sourcing and underwriting, shaping investment theses, and helping teams assess brand relevance, risk exposure, and differentiation potential.

Sustainability Certifications

The growth of sustainability labels, third-party certifications, and verified claims, particularly in the beauty, personal care, and food sectors, has raised expectations around transparency and substantiation of sustainability claims. In several categories, sustainability has shifted from a point of differentiation to a baseline expectation, requiring more brands to actively engage in sustainability positioning and, in turn, substantiate those claims with data, systems, and underlying operational practices. These sustainability considerations increasingly affect access to distribution and platform participation, as retailers and marketplaces rely on standardized

frameworks to assess product claims and compliance.

ESG at Exit

ESG considerations increasingly shape how potential acquirers evaluate consumer businesses, particularly where environmental or social factors intersect with regulatory exposure, data quality, and management processes. As a result, companies that demonstrate consistent performance across these areas may benefit from stronger positioning at exit.

This past year, we leveraged prior ESG due diligence, ongoing monitoring insights, and available data to support a portfolio company in preparing sustainability exit materials. This included identifying the sustainability topics most relevant to the business, organizing year-over-year progress, and highlighting key areas of advancement such as policy development, supply chain oversight, and governance practices.

These inputs were integrated into management presentations alongside a forward-looking roadmap outlining areas of continued focus to provide additional context for potential buyers.

Our Role

L Catterton supports portfolio companies in translating sustainability priorities into practical, commercially relevant actions. We help companies connect sustainability efforts to effective and consumer-relevant brand and product positioning, while also supporting operational priorities such as packaging and sourcing.

During ownership, we work with companies to refine how certifications, packaging improvements, and

product attributes show up across retail channels and brand materials. This includes navigating certification processes, aligning with retailer sustainable shopping programs (e.g., Amazon Climate Pledge Friendly, Clean at Sephora), and strengthening how sustainability claims are communicated. As companies approach exit, sustainability initiatives and monitoring insights are consolidated into materials designed to support buyer diligence and communicate how sustainability is managed within the business.



FYidocors



Despegar



Function of Beauty



EFFICIENCY

VALUE CREATION IN ACTION

Efficiency

Efficiency focuses on how portfolio companies optimize resources, operations, and systems to strengthen performance while managing cost, operational risk, and environmental impact. Across the consumer value chain, spanning sourcing, packaging, manufacturing, logistics, and facilities, efficiency initiatives can support day-to-day execution while helping companies adapt to changing regulatory and market conditions.

Why Efficiency Matters

Efficiency remains a defining operating theme for consumer businesses as expectations around cost discipline, sustainability, and reliability continue to converge. Across L Catterton's portfolio, packaging, supply chain design, and energy efficiency have emerged as interrelated areas where operational decisions increasingly shape performance, risk management, and commercial outcomes.

Packaging

Packaging sits at the intersection of consumer expectations, regulatory change, and product performance. As sustainability expectations continue to evolve, companies are placing greater emphasis on packaging attributes such as recyclability while balancing other critical considerations including food safety, product protection, shelf life, and cost.

This dynamic underscores a central challenge for brands: sustainability advances must reinforce, not compromise, product integrity.



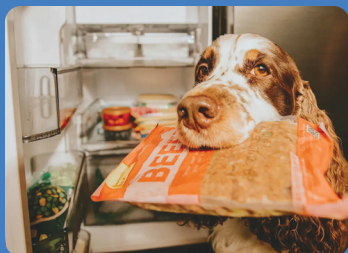
Against this backdrop, expanding packaging regulations and retailer requirements have further elevated packaging as an area of operational priority, where design choices can influence compliance readiness, cost exposure, and market access.

Supply Chain

Supply chain efficiency is closely linked to these packaging considerations. The last several years have reinforced the importance of transparency, flexibility, and responsiveness across sourcing and distribution networks. Our portfolio companies are increasingly leveraging data, automation, and AI-enabled tools to optimize transportation routes, reduce inefficiencies, and better align inventory

Spotlight:

Butternut Box



Butternut Box, a fresh pet food brand, continues to focus on operational efficiency through targeted packaging and food waste initiatives, using data and process improvements to reduce waste, manage costs, and support more consistent operations.

On packaging, the company is progressing toward more recyclable formats, including the transition to recyclable pouches for its Marrow brand, while evaluating tradeoffs between durability, product protection, and end-of-life outcomes across markets.

Food waste reduction has also been a priority for the company, primarily to decrease operational costs, with additional benefits from lowering associated emissions. *Butternut Box* has introduced weighing stations across production lines, implemented AI-enabled systems to identify defective pouches, and deployed inventory tools to support first in, first out usage. These efforts have contributed to measurable reductions in waste and associated operating costs, which are actively tracked. Additional initiatives, including waste audits and expanded recycling streams, are underway to further reduce general waste and improve material recovery.

Additional detail is available in the Case Study Library.

with demand. Others are reevaluating sourcing strategies, including partnerships with local or regional producers, to shorten supply chains and reduce transportation intensity.

Energy Efficiency

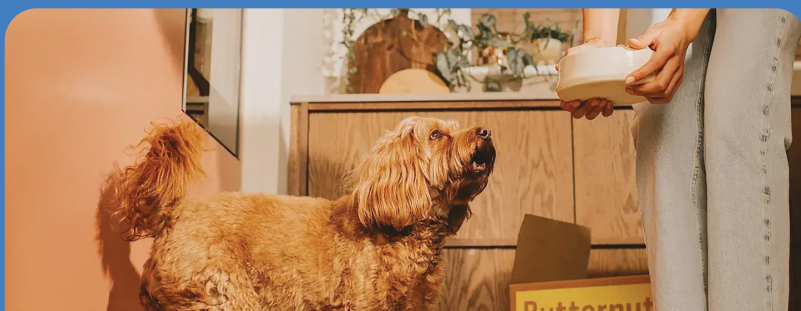
Energy efficiency represents a complementary dimension of operational discipline, particularly for businesses with manufacturing, warehousing, or physical retail footprints. Rising energy costs and expanding disclosure and regulation have heightened attention on how energy is used across facilities and processes. Incremental improvements, such as equipment upgrades, process optimization, and facility design, can deliver meaningful cost stability while also supporting broader environmental objectives.

Taken together, these trends reflect an evolution in how efficiency is understood across the consumer sector. Packaging, supply chain design, and energy use are no longer addressed in isolation; they increasingly function as connected levers shaping reliability, compliance, and competitiveness.



We've found that some of our sustainability initiatives are also smart business investments. From heat recovery at our new Poland facility to reducing food waste through smarter processes, we're improving efficiency while supporting long-term growth. ”

Catherine Fenwick,
Butternut Box



Our Role

L Catterton supports efficiency initiatives across the portfolio by helping companies prioritize opportunities aligned with their operational needs and growth plans. This includes incorporating efficiency considerations into diligence and ESG Action Plans, supporting portfolio-level benchmarking, and connecting companies with partners and tools that can help translate opportunities into action.

In 2025, this included supporting portfolio companies across a range of efficiency initiatives. For example, L Catterton

worked with *RealTruck* to identify and advance on-site solar opportunities across the U.S. and Mexico, including coordination with developers and financial modeling of priority projects.

Through ongoing engagement, we work with management teams to identify where operational improvements can strengthen performance, manage exposure, or support compliance, recognizing that efficiency is most effective when embedded into core business decisions rather than treated as a separate initiative.



RealTruck



Vyrac



[solidcore]



Yamamoto



TALENT

VALUE CREATION IN ACTION

Talent

Talent reflects how companies attract, engage, develop, and retain their workforce, as well as how leadership capability and culture are sustained as organizations grow. For L Catterton, talent considerations across our portfolio include employee engagement, ownership alignment, and diversity, factors that influence how effectively businesses execute and scale.

Why Talent Matters

As consumer-focused investors, we believe workforce quality is closely linked to execution and brand experience. Engaged employees and diverse workforces contribute to innovation, consistency, and customer satisfaction, while ineffective talent practices can contribute to turnover, increased costs, and operational inefficiencies.

Talent indicators, such as engagement levels, leadership readiness, and workforce stability, offer important insight into organizational health. These factors

are increasingly relevant in competitive labor markets and are considered alongside financial and operational data throughout the investment lifecycle.



Penha Longa Resort

Engagement

Engagement reflects how companies listen to their employees, respond to feedback, and continuously adapt people practices over time. Effective programming helps companies understand workforce sentiment and prioritize actions across both near- and long-term horizons, helping them strengthen culture and remain competitive in attracting and retaining talent.

Employee Ownership

We recognize the growing role employee ownership can play as part of our portfolio's broader people and culture strategy. As discussed in *Our Firm, People & Impact*, we view employee ownership as a differentiated approach that, when applied in the right context, can strengthen alignment between employees and businesses.

Spotlight:

[solidcore]



[solidcore], a leading studio fitness concept, approaches engagement in a way that reflects these principles in practice. The company combines structured feedback tools, including quarterly pulse surveys and employee Net Promoter Score (eNPS) tracking, which measures employee willingness to recommend the company as a place to work, with channels for direct and anonymous employee input. Feedback is reviewed regularly and used to inform decisions across communication, compensation, and employee development.

Employee input has helped guide enhancements to people practices, including the introduction of an externally supported compensation benchmarking and salary framework.

This emphasis on listening and responsiveness has supported [solidcore]'s ongoing improvements to the employee experience over time, helping position the brand as an industry employer of choice. Additional detail is available in the Case Study Library.



Our interest in employee ownership across our portfolio has been informed by practical considerations. Research and experience indicate that broad-based employee ownership, when paired with clear communication, leadership accountability, and participation mechanisms, has been associated with lower voluntary turnover and stronger engagement outcomes. Case studies by Ownership Works also indicate that companies adopting these structures have experienced improvements in areas such as workplace safety, operational execution, and return rates.

For portfolio companies, employee ownership may also serve as a differentiator in attracting and retaining employees by reinforcing alignment between individual contribution and company outcomes. Importantly, shared ownership can expand access to equity beyond senior management, offering employees across roles and income levels participation in long-term company performance.

“

We believe that when team members feel connected, supported, and empowered to develop their careers, they deliver exceptional experiences for our clients. Through professional development programs, employee resource groups, and leadership training, we're building a culture where people can thrive. ”

Michelle Engel,
[solidcore]

Gender Equity and Talent

In our experience, teams that reflect a range of perspectives are better positioned to understand their customers, navigate evolving consumer and market conditions, and make informed decisions as brands and organizations grow.

Through initiatives such as PRISM and alignment with the 2X Challenge, we engage with portfolio companies on gender equity across different

dimensions of their workforces. PRISM focuses on leadership and board development and has supported the placement of senior leaders across the portfolio, while 2X alignment emphasizes broader participation, economic opportunity, and inclusive practices throughout an organization.

By reinforcing gender equity in this way, we support portfolio companies in building people practices aligned with their operating realities

and long-term priorities, while remaining responsive to stakeholder expectations that continue to evolve across markets. Further details on PRISM and the 2X Challenge are included in the *Our Firm, People & Impact* section of this report.

2XChallenge

Invest in women. Invest in the world.



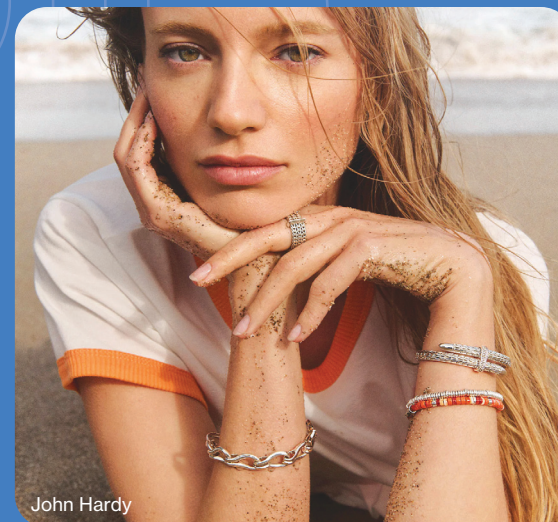
**Ownership
Works**

Our Role

L Catterton engages with portfolio companies on talent with a focus on how people practices support company performance over time. This includes connecting management teams with external partners, operational resources and tools, and peer insights that can help strengthen employee engagement and support more inclusive approaches to participation and advancement. In 2025, we also expanded our engagement with

Ownership Works, supporting a subset of portfolio companies in assessing and implementing shared ownership models. This includes active engagement across six companies at varying stages, from feasibility assessment to implementation and ongoing program management.

Through this approach, we aim to support the portfolio in creating environments and workforces where employees feel invested in and equipped to contribute to the growth of the company.



John Hardy

A woman with curly hair, wearing a dark red tank top and leggings, is rowing on a Hydrow rowing machine. The machine is black and silver, with a digital display showing the brand name 'bydrow'. The background is a light blue wall. The entire image is overlaid with a semi-transparent blue filter. The word 'RESILIENCE' is written in white, serif, all-caps font, centered horizontally and underlined with a thin orange line.

RESILIENCE

VALUE CREATION IN ACTION

Resilience

Resilience refers to an organization's ability to anticipate, navigate, and adapt to disruption in response to changes in market, consumer, and regulatory conditions.

Why Resilience Matters

Resilience has become increasingly relevant for consumer businesses as regulatory expectations, supply chain complexity, and technological change continue to accelerate. Companies are being asked to manage a broader set of risks – ranging from environmental compliance and sourcing practices to data integrity and emerging technologies – while maintaining operations and consistent performance.

Periods of disruption create new opportunities for innovation, differentiation, and category leadership. As consumer-focused investors, we believe resilient organizations are not only best positioned to navigate change, but to capitalize on it.

Governance

Governance is becoming increasingly important as companies move to embed sustainability more holistically into business strategies and operations. While many organizations have begun incorporating sustainability into standalone processes, we expect our portfolio companies to integrate these considerations more fully across material areas such as finance, procurement, and risk management over time.

Our experience reinforces this trend, and we have found that companies that align governance structures with clear accountability, defined processes, and cross-functional integration are better positioned to navigate regulatory change and evolving stakeholder expectations.

Supply Chain

Supply chain considerations highlight the importance of resilience as sourcing and manufacturing networks become increasingly complex and exposed to disruption. Companies are also placing greater emphasis on

transparency, traceability, and supplier oversight, both to manage risk and to meet evolving regulatory and customer expectations. As a result, the ability to identify, assess, and respond to risks across suppliers and geographies has become a core operational priority for our companies. Supply chain management is a key topic for our portfolio; 90% of companies that underwent monitoring in 2025 had supply chain management as a material ESG consideration.

Since 2021, we have made and tracked 43 supply chain-related initiatives including those focused on strengthening supplier diligence and auditing, formalizing governance structures, enhancing supply chain resilience, and improving compliance readiness. As of this year, 53% of these initiatives have been completed, and an additional 30% are actively being implemented, demonstrating continued progress across the monitored portfolio.

43

supply chain-
related
initiatives created
since 2021

Spotlight:

Kettle Cuisine



Kettle Cuisine, a wholesale manufacturer of fresh prepared food solutions, strengthened its approach to sustainability governance in 2025 by establishing an executive-level oversight group to coordinate sustainability priorities across functions. This structure created a regular forum to assess regulatory requirements, identify operational priorities, assign clear ownership for key initiatives, and track progress.

To support this, the company developed a sustainability operating framework, defining core objectives, relevant metrics, and areas of focus across compliance, customer expectations, and cost management. The initiative has strengthened implementation of regulatory requirements in areas such as packaging EPR and identified cost savings related to improved waste management.

By formalizing oversight in this way, *Kettle Cuisine* has moved from reactive management of sustainability topics to a more structured approach, strengthening accountability, improving visibility across risks, and supporting more consistent execution. Additional detail is available in the Case Study Library.



Artificial Intelligence

AI is increasingly influencing how consumer businesses operate, compete, and create value. AI-enabled tools are helping companies improve efficiency, enhance decision-making, and respond more quickly to changing market conditions. Beyond efficiency gains, AI is creating new opportunities for innovation, personalization, and business model evolution.

As adoption expands, companies are increasingly evaluating data governance, responsible use, and the broader operational implications of AI, including the energy, water, and infrastructure demands. Regulatory expectations around AI also continue to evolve rapidly, reinforcing the need for clear accountability, data oversight, and transparency in how systems are deployed. As with many transformative technologies, organizations must balance innovation opportunities with appropriate governance structures to support responsible implementation as expectations, regulations, and use cases continue to evolve.

“

Resilience starts with understanding where risks and opportunities exist across the business. By strengthening governance structures and creating clearer channels for oversight and engagement, we're building a framework that supports better decisions and helps us adapt to a rapidly changing operating environment. ”

James Reid,
Kettle Cuisine

Our Role

Building resilience is critical to L Catterton's portfolio companies as they navigate evolving regulation, shifting consumer expectations, and accelerating technological change. We embed resilience considerations as a core driver of value by integrating sustainability and risk management considerations throughout the investment lifecycle.

As AI continues to reshape the consumer landscape, we provide access to specialized expertise, practical implementation support, and repeatable playbooks developed by our in-house Data + AI team to advance opportunities across marketing, demand forecasting, supply chain optimization, and operational performance.

As companies expand their use of AI-enabled tools, we work with management teams to promote responsible adoption practices, including appropriate governance, data oversight, and risk management. By combining AI enablement with practical guidance and oversight, we help portfolio companies capture the benefits of emerging technologies while building



capabilities that support long-term resilience and growth.

Beyond AI-related considerations, we work with portfolio companies to strengthen their broader resilience capabilities. During diligence and ownership, our teams identify where governance structures, supply chain practices, data processes, and technology may require further attention to enhance supply chain risk management, prepare for evolving regulations, and adopt emerging technologies responsibly.

In practice, this often includes supporting portfolio companies in developing oversight structures, clarifying accountability, and tracking progress

against regulatory and operational requirements. For example, L Catterton supported *Kettle Cuisine* in establishing a governance oversight group and defining clear processes for tracking sustainability priorities and worked with river cruise operator *AmaWaterways* to prepare for emerging regulation related to European port emissions requirements.

L Catterton provides resources to translate emerging expectations into actionable guidance:

- **Responsible AI Workshop:** Targeted training for portfolio companies, featuring common AI use cases, emerging risks, and governance recommendations.
- **Best Practice Guide:** Adaptable toolkit summarizing key concepts, including a Responsible AI policy template, governance considerations checklist, and risk assessment framework to help companies identify and manage AI risks.

DISCLOSURES

Information regarding specific *L Catterton* portfolio companies presented herein is provided for illustrative purposes only. The information is meant to provide a general background regarding certain ESG initiatives undertaken by *L Catterton* and its portfolio companies. These companies do not represent all investments and not all portfolio companies have employed the level of ESG practices, initiatives, or metrics as those presented in this report. There is no assurance that *L Catterton* or any of its portfolio companies will be able to maintain the same ESG practices and initiatives, or achieve the same metrics, in the future.

The information included in this Report is presented for informational purposes only. This Report shall not constitute an offer to sell or the solicitation of any offer to buy an interest, security, or investment product. Nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision.

The information included in this Report is only current as of the date indicated and may be superseded by subsequent market events or for other reasons. Certain information contained in this Report has been obtained from third-party sources. While such information is believed to be reliable for the purposes used herein, *L Catterton* has not independently verified such information and makes no representation or warranty, express or implied, as to the accuracy, correctness, reasonableness, or completeness of the information contained herein.

Goals related to *L Catterton's* ESG efforts are aspirational and are not guarantees or promises that such goals will be met, successfully implemented, or that *L Catterton* will make investments in companies that create a positive impact or outcome while enhancing long-term value and achieving financial returns. Certain information contained herein relating to responsible investment goals, targets, intentions, or expectations reflect current thinking and may be subject to change, and no assurance can be given that such goals, targets, intentions, or expectations will be met. Further, there is no guarantee that *L Catterton* will remain a signatory, supporter, or member of any responsible investing initiatives or other similar industry frameworks cited within this Report.

There is no guarantee that any AI tools and / or capabilities will be employed in their entirety or at all, to any or all investments.

ENDNOTES

General:

- Data is as of December 31, 2025, unless otherwise stated.
- 99 portfolio companies completed the 2025 L Catterton ESG survey. Unless otherwise noted, calculations for the 2025 Portfolio KPIs refer to these survey results. Data is typically self-reported.

2025 Firm and Portfolio Highlights

Page 4:

- % of female hires (trailing five years) based on data through 12/31/2025.
- % of portfolio tracking GHG emissions based on Fair Market Value (FMV) as of 12/31/2025. 49% of portfolio companies by FMV reported they track emissions.
- % of portfolio companies responding to ESG survey represents 84% of FMV, excludes Private Credit and Real Estate, and is reflective of FMV as of 12/31/2025.
- Our second climate report is available upon request as of 09/2026.
- L Catterton was recognized as a Great Place to Work Certified company (updated March 2025). Certification is awarded by Great Place to Work, a third-party workplace culture and employee experience organization, based on employee responses to its Trust Index Survey and company-submitted information. Certification is valid for a 12-month period. L Catterton paid a fee to participate in the certification process; certification is awarded to organizations that meet established criteria.

2025 Firm and Portfolio Progress

Page 9:

- ESG Action Plan initiative data as of the end of our annual monitoring process or 07/01/26.

Page 11:

- Baseline assessments in our Climate Dashboard reflect climate reviews completed during due diligence. Portfolio companies included in the Climate Risk Dashboard will, going forward, include all funds for which we conduct due diligence. The Dashboard currently includes climate data for investments from Buyout VIII, Buyout IX, Buyout X, Middle Market I, Europe IV, Europe V, Latin America III, and Latin America IV funds, as well as select Asia II, Asia – Japan, RMB I, Growth IV, and Growth V investments.
- 45 companies are in scope of our monitoring program as of 08/2026.

Our Firm, People & Impact

Page 15:

- 2025 female representation across the Firm based on full-time staff data as of 03/31/2026.

Page 17:

- % of PRISM alumnae with a board seat represents PRISM graduates that have secured a new board position within 2 years of completing the program.

CONTACT

L Catterton is committed to building on our long-standing legacy of responsible investing and advancing sustainability as a core driver of value creation.

We are grateful to our portfolio companies, limited partners, and colleagues for their collaboration as we advance an approach to sustainability that drives impact, performance, and the next generation of consumer brands.

Contact us at:
sustainability@lcatterton.com



Learn more:
<https://www.lcatterton.com/impact.html>



