



## Principles:

Since the firm's inception, American Securities LLC ("American Securities" or "we") and the American Securities Partners ("ASP") funds have committed to acting as a responsible citizen. In recognition that environmental, social, and governance ("ESG") matters are important to both risk mitigation and value creation, we are following the principles below to identify and manage ESG risks and opportunities in connection with the ASP funds' activities. We believe that this policy is consistent with the American Investment Council Guidelines for Responsible Investment.

**Environment:** Seek to grow and improve the companies with which we partner for long-term sustainability with the goal of improving performance and minimizing any adverse environmental or societal impacts on individuals, communities, or the planet.

**Social:** Ensure a safe and healthy working environment for all employees of portfolio companies by paying competitive wages and benefits, preventing harassment and discrimination, emphasizing workplace safety, and promoting diversity. Additionally, we respect basic human rights in all that we do and seek to confirm all company operations and supply chains do not facilitate discriminatory behavior, child labor, forced labor or modern slavery.

**Governance:** Remain committed to proper governance structures and practice by adhering to all applicable state, national, and international laws and promoting best practices with respect to ethical conduct, anti-bribery and corruption, and data privacy and security.

## Implementation:

We are taking the following actions in order to effectively integrate ESG considerations into our investment process.

- 1** Conduct ESG due diligence on platform acquisitions to identify material risks, as well as opportunities for value creation.

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- 2** Work with company management to remediate any ESG risks identified in diligence and monitor material ESG issues on an at least annual basis to promote continuous improvement.

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- 3** Communicate with investors with respect to material ESG-related matters at least annually, and where appropriate, notify investors of significant negative ESG incidents as they might arise with respect to a particular portfolio company.

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- 4** Provide resources and training on ESG-related matters and best practices, including leveraging outside consultants where appropriate.