

2023

**RESPONSIBLE  
INVESTING  
REPORT**



Arsenal Capital Partners

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**RESPONSIBLE INVESTING  
AT ARSENAL**

# A MESSAGE FROM OUR CO-FOUNDERS



**TERRY MULLEN**



**JEFF KOVACH**

Since Arsenal's inception, our mission has been to build high-growth, technology- and innovation-rich businesses that are strategically important in their markets and deliver value for all shareholders. We understand that achieving this objective is only possible if the companies that we build focus on best-in-class operations, attention to human capital and talent development, and effective risk management. We believe that companies that implement robust responsible investing practices are typically better managed, have fewer business risks, and ultimately deliver better value.

In 2023, we continued to make significant strides in advancing our responsible investing program. We joined the United Nations-supported Principles for Responsible Investment (PRI). In addition, we became a member of

the ESG Data Convergence Initiative, or EDCI, to support the demand from fund investors for greater alignment on a core, standardized set of metrics and improved comparable reporting. We also expanded upon Arsenal's Responsible Investing Policy to reflect the continued evolution of our responsible investing program. The updated policy, which can be accessed on our website, provides more detail around our integration of responsible investing principles throughout the investment lifecycle, and our oversight and stewardship approach to responsible investing. As part of our engagement with our portfolio companies, we conducted several training webinars on pertinent topics, such as energy reduction initiatives and supply chain management.



## **IN 2023, WE CONTINUED TO MAKE SIGNIFICANT STRIDES IN ADVANCING OUR RESPONSIBLE INVESTING PROGRAM.**

Throughout this report, we aim to highlight the key aspects of our responsible investing program. Our aim is to demonstrate the continued progress we are making, and we deeply appreciate your continued trust in Arsenal as stewards of your capital.

A handwritten signature in black ink, appearing to read 'Terry Mullen'.

**Terry Mullen**  
Managing Partner

A handwritten signature in black ink, appearing to read 'Jeff Kovach'.

**Jeff Kovach**  
Managing Partner

# ARSENAL AT A GLANCE

**ARSENAL CAPITAL PARTNERS** is a leading private equity firm that specializes in investments in industrial growth and healthcare companies. Since its inception in 2000, Arsenal has raised institutional equity investment funds totaling \$11 billion, completed more than 290 platform and add-on acquisitions, and achieved more than 35 realizations. The firm works with management teams to build strategically important companies with leading market positions, high growth, and high value-add.

## Clear Purpose and Focus

Arsenal aims to unlock potential in people, businesses and technologies to benefit all constituencies with a focus on building market leaders. Our values-based culture attracts top talent, connects the team, and energizes the firm. We practice these core values of genuine partnership, resilience, curiosity, do right, challenge, and humility in our daily interactions with management teams, our investors, and our communities.

## ARSENAL BY THE NUMBERS<sup>1</sup>

\$11bn

in assets under management

22

current portfolio companies

7

funds raised since Arsenal's inception

17,000+

portfolio company employees

90+

Arsenal employees

24

years of successfully building businesses

1. As of December 31, 2023.

## INDUSTRIAL GROWTH

We seek to build differentiated industrial solutions businesses that deliver high performance and value-add to markets in industrial technologies, engineered products and systems, and innovative materials.

## HEALTHCARE

We aspire to build valuable business services companies that serve as catalysts for transforming the healthcare system with a focus on pharma services, and healthcare technology and services.

# OUR RESPONSIBLE INVESTING JOURNEY

Since the firm's inception in 2000, Arsenal has continually worked on implementing strong responsible investing practices, through robust **CORPORATE GOVERNANCE** processes, elevated attention on human capital, effective risk management and **STANDARDIZED EH&S GUIDELINES** for its industrial portfolio companies.

## 2000

Starting with Fund V, Arsenal began to track **STANDARD ESG METRICS** for its portfolio companies.

## 2019



Arsenal became a signatory to the United Nations-supported Principles for Responsible Investing (**PRI**) and joined the ESG Data Convergence Initiative (**EDCI**).

## 2023

## 2018

To continue to advance its responsible investing program, Arsenal augmented its **ESG DUE DILIGENCE** through formal diligence reviews by external ESG consultants for platform investments. The firm also codified its inaugural **RESPONSIBLE INVESTING POLICY**, began to identify ESG attention areas, and released its first **RESPONSIBLE INVESTING REPORT**.

## 2022

Arsenal hired its first dedicated **HEAD OF RESPONSIBLE INVESTING**, formally incorporated the materiality guide published by the Sustainable Accounting Standards Board (**SASB**) in its ESG due diligence process. Finally, Arsenal began to align with the Task Force on Climate-Related Financial Disclosures (**TCFD**).

## TCFD



# COLLABORATIONS AND MEMBERSHIPS

To continually align our responsible investing program with best practices, we have formally joined and/or actively engage with leading industry organizations and frameworks.



In early 2023, we became a signatory to the United Nations-supported Principles for Responsible Investment, a leading proponent of responsible investing across the globe, representing a global network of investors committed to integrating the consideration of material ESG factors into their investment practices.



In 2022, we became a member of the Initiative Climat International (iCI). Supported by the PRI, the iCI is a global collaborative network of investors who seek to better understand and manage the risks associated with climate change.



In 2022, we joined the Sustainability Accounting Standards Board Alliance. We utilize the SASB engagement guide in our due diligence process to identify the material ESG considerations for a potential investment based on its industry.



In 2022, we started to align to the recommendations of the Task Force on Climate-related Financial Disclosures. The TCFD is the leading climate disclosure framework that enables companies to measure and disclose their material climate-related risks and opportunities.



In 2023, we joined the ESG Data Convergence Initiative, which aims to drive convergence around meaningful and comparable ESG metrics reporting for the private equity industry.

## ARSENAL'S RESPONSIBLE INVESTING COMMITTEE

Arsenal has a formal, cross-functional responsible investing committee whose primary mandate is to support our ongoing responsible investing initiatives based on business imperatives, industry and regulatory developments, and best practices. In 2023, we refined the responsible investing committee composition to focus on senior-level representation, which allows for a more open dialogue and ensures that the committee is empowered to make decisions concerning Arsenal's responsible investing strategy. The committee convenes at least three times annually and has the following mandates:

- Assist in setting Arsenal's general responsible investing strategy, and consider and recommend practices that support this strategy
- Discuss current and emerging responsible investing matters that may be relevant to Arsenal
- Help drive internal implementation of relevant responsible investing initiatives
- Set the tone and reinforce the culture within Arsenal regarding its responsible investing approach
- Ensure adherence to Arsenal's Responsible Investing Policy

## RESPONSIBLE INVESTING COMMITTEE MEMBERS



**Marion Hayes**  
Head of Responsible  
Investing, Committee Chair



**Terry Mullen**  
Managing Partner



**Jeff Kovach**  
Managing Partner



**Patricia Grad**  
Partner, Head of  
Investor Relations



**Frank Scudato**  
Chief Financial  
Officer



**Sal Gagliardo**  
Operating Partner,  
Industrial Growth



**Martin Coulter**  
Operating Partner,  
Healthcare



# INTEGRATING ESG INTO THE INVESTMENT LIFECYCLE

As outlined in our [Responsible Investing Policy](#), we endeavor to incorporate ESG considerations throughout the investment lifecycle to both mitigate risk and identify value creation opportunities.



We conduct ESG diligence on all potential platform investments as well as significant add-on investments. As a first step, the investment teams complete a pre-screening checklist to ensure that the business is compatible with our responsible investing policy.

By evaluating ESG considerations during investment due diligence, we take a proactive approach to identify both ESG risk and opportunities for value creation prior to making an investment. Many of our leaders have spent decades in management and operating roles within the industries where we invest, we have deep domain knowledge of how ESG issues and opportunities manifest themselves within industrial and healthcare portfolio companies.

We also engage third-party advisors to conduct ESG diligence, and we incorporate the SASB engagement guide during our due diligence process to identify sector specific ESG considerations.

We include a summary of the identified material ESG risks and opportunities in our final investment committee memos. Our investment committees take responsible investing considerations into account when making investment decisions.

Post-acquisition, we proactively engage with each portfolio company to identify ESG opportunities and risks. As part of a company's onboarding plan, including the 100-day plan, we seek to work with each portfolio company to identify the three primary ESG attention areas to focus on over a several-year period. Each portfolio company then establishes annual objectives and reports on its progress annually. Our investment and operating partners are deeply involved in driving each portfolio company's progress against the identified ESG attention areas, and updates on key initiatives and objectives are discussed during portfolio company board meetings.

For those companies where we do not have a controlling interest, we aim to use our influence, for example, through our representation on portfolio company boards, to guide the portfolio company toward implementing responsible investing practices.

As part of a divestiture, we prepare a summary of the qualitative and quantitative data related to the portfolio company's responsible investing performance and, where applicable, provide an overview of how we have created value and managed the investment during our ownership.

# ALIGNING WITH THE TCFD

We believe that climate change presents significant challenges for our society and that private equity firms have a critical role to play in ensuring that the portfolio companies they manage are well positioned for a climate-resilient economy.

## GOVERNANCE

At Arsenal, we conduct a physical climate risk assessment as part of our due diligence process for any new platform investment and significant add-on investment. The results of the physical climate risk assessment are reviewed by Arsenal's Head of Responsible Investing prior to closing an investment. We also provide updates to our Responsible Investing Committee on climate-related topics. Finally, we provide training on climate-related topics to our investment teams to maintain and enhance their understanding of climate-related risks and opportunities.

## STRATEGY AND RISK MANAGEMENT

In addition to embedding a physical climate risk assessment in our due diligence process, we also participate in regular climate-focused industry calls to stay abreast of emerging climate regulation. In early 2023, we completed our first physical climate risk analysis for Arsenal's portfolio company sites. The assessment was based on two climate scenarios: (i) a strong mitigation scenario, also known as Representative Concentration Pathway (RCP) 2.6, which assumes that global

temperatures rise approximately 1.8°C by 2100, a key goal of the Paris Climate Agreement; and (ii) a "middle-of-the-road" scenario, or RCP 4.5, which assumes that climate change worsens through the end of the century with global temperatures rising by approximately 2.4°C by 2100. Each climate scenario considers key physical hazards, such as wildfires, inland flooding, tropical cyclones and hurricanes, sea level rise, water stress and heatwaves.

Of note, since undertaking an initial analysis in early 2023, our portfolio company composition has remained fairly consistent. We also conducted physical climate risk assessments for any add-on investment made in 2023; none identified significant physical climate risks.

The initial portfolio-wide physical climate risk assessment showed that based on the middle-of-the-road scenario, fewer than 3% of our portfolio company sites have a greater than 5% asset value loss risk due to physical hazards by 2050. The majority of this potential loss would be contributed to hazards related to inland flooding, followed by tropical cyclones.

We generally believe that the transition risk in our portfolio is comparatively low, as Arsenal does not invest in fossil fuels. In early 2024, we refreshed our transition risk assessment to better understand the potential implications of the transition to a lower-carbon economy on our portfolio with a particular focus on carbon pricing regulations. Utilizing bottom-up GHG emissions data where available, supplemented by top-down proxy emissions

data, the transition risk analysis focused on the potential implications of current and future carbon tax and carbon trading regimes.<sup>2</sup> The assessment assumed that total scope 1 and 2 GHG emissions would be regulated and that the emissions would be divided equally by each site. Across our portfolio, a total of 29 facilities, representing approximately 7% of portfolio company sites, are currently regulated by an emissions trading system (ETS). An additional 39 facilities may fall under an ETS regime in the next five to ten years if inclusion thresholds are reduced, bringing the total portfolio exposure to 16%.<sup>3</sup>

## METRICS AND TARGETS

<3%

of portfolio company sites with physical climate risk exposure

53%

lower weighted average GHG emissions intensity compared to the MSCI World Index<sup>4</sup>

84%

of portfolio company sites with no material carbon pricing exposure

Zero

fossil fuel investments

Four

healthcare portfolio companies have made a commitment to the Science-Based Targets Initiative (SBTi)

1. A Representative Concentration Pathway (RCP) is a greenhouse gas concentration (not emissions) trajectory adopted by the Intergovernmental Panel on Climate Change (IPCC). The pathways describe different climate futures, all of which are considered possible depending on the volume of greenhouse gases (GHG) emitted in the years to come.  
2. The review of international emissions trading systems is based on publicly available resources, such as the International Carbon Action Partnership, which can be accessed [here](#).

3. The transition risk assessment excludes Seal For Life, which was sold in February 2024.  
4. Compares Arsenal's GHG emissions intensity against the MSCI World Index, based on the weighted average scope 1 and 2 metric tons of carbon dioxide equivalent divided by US\$ millions in enterprise value including cash. Source: [MSCI IndexMetrics®](#)

# ARSENAL'S OPERATIONAL EMISSIONS

Below is a summary of Arsenal's operational scope 1, 2, and select scope 3 GHG emissions, calculated according to the Greenhouse Gas Protocol (GHG Protocol) Standards. In 2023, we began to measure the GHG emissions from our business air travel.

	UNIT	2023	2022	2021	2020
<b>Operational GHG Emissions</b>					
Scope 1 Direct	mtCO <sub>2</sub> e	1	1	1	1
Scope 2 Indirect (Location-Based)	mtCO <sub>2</sub> e	103	132	107	101
Electric	%	82%	82%	81%	84%
Steam	%	18%	18%	19%	16%
Scope 3 Category 6 (Business Travel: Air)	mtCO <sub>2</sub> e	258			
<b>Organizational Metrics for Intensity Calculations</b>					
Employee Headcount	FTE	94	90	68	58
Office Square Footage	sq. ft.	26,900	26,900	21,500	21,500

Note: Arsenal's operational GHG inventory underwent revisions back to the base year of 2020 to ensure accuracy in the reported emissions data. These adjustments were made to rectify discrepancies identified during the assessment process, ensuring compliance with established standards, and enhancing the reliability of the inventory. Emissions have not been validated by an independent audit firm.

## HUMAN CAPITAL DEVELOPMENT

Our success is driven by our people, and we place a high value on creating a culture that enables our teams to thrive. Our human capital strategy seeks to enable our employees to reach their full potential and accelerate our team’s growth. This philosophy is embedded in how we recruit, onboard, develop, and retain our top talent.

We demonstrate this commitment during the recruitment process by conducting leadership assessments to understand key strengths and areas for growth to make informed hiring decisions. Leveraging these key insights, we then create onboarding and training programs that ensure each new hire is successfully integrated into our firm.

Once onboarded, we deliberately and consistently invest in our talent to ensure continued development and growth. We provide coaching to strengthen our teams and conduct bi-annual review processes that are tailored to each team member’s goals and areas of development.

## FOCUS ON LEADERSHIP DEVELOPMENT

Culture has always been a key tenet at Arsenal. We understand that to be a successful organization, we not only need to focus on financial success, but equally focus on our human capital. To facilitate our continued growth, in 2023 Arsenal named Joelle Marquis as President of the firm. In this newly created role, Joelle will apply her expertise in leadership and people development combined with her operational knowledge. You can learn more about Joelle’s vision for Arsenal’s culture and human capital development [here](#).



## DIVERSITY, EQUITY & INCLUSION (DEI)

We believe that companies with diverse leadership, equitable practices, and inclusive cultures make better decisions and create greater value. Since Arsenal’s inception, we have been committed to attracting and developing a diverse team with broad experiences, capabilities, and backgrounds. Recognizing that there is more that we can do to improve our gender and ethnic diversity, we continue to elevate and amplify our efforts in this area.

## DIVERSITY BY THE NUMBERS<sup>1</sup>

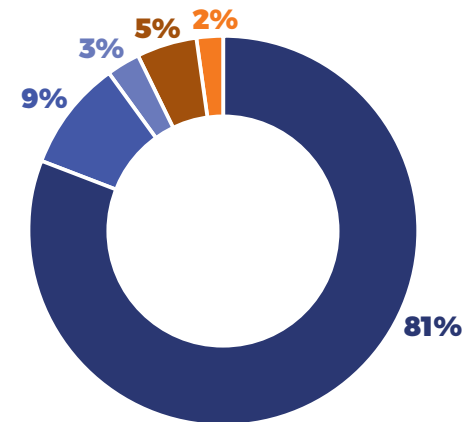
### Total Employees

**35%** Women  
**19%** Ethnic Diversity<sup>2</sup>

### Investment Team

**15%** Women  
**9%** Ethnic Diversity<sup>2</sup>

### Ethnic Diversity Breakdown



- White
- Black
- Asian
- Hispanic
- Two or More

1. Arsenal’s total workforce comprises 94 employees with an investment team of 68 employees.  
 2. Ethnic diversity definition is aligned with the U.S.’ Equal Employment Opportunity Commission (EEOC) and entails these four groups: American Indian or Alaska Native, Asian, Black, Hispanic, and Two or More (i.e., individuals who chose more than one of these categories). The pie chart shows the ethnic diversity breakdown for Arsenal’s total workforce.

## DIVERSITY ORGANIZATIONS WE SUPPORT

We support several organizations that focus on the attraction and retention of women and ethnically diverse individuals within private equity, including: BLK Capital Management, Girls Who Invest, Management Leadership for Tomorrow (MLT), Synergist, and Women's Association of Venture and Equity (WAVE).



## SUMMER INTERNSHIP PROGRAM

Each year, we host an eight-week summer internship program that gives undergraduate students the opportunity to develop technical and business skills. The program is intended to build a pipeline of next-generation talent and help students from underrepresented backgrounds gain experience in private equity. Many of our interns learn about the internship through their involvement with our diversity partner organizations.

One of our interns, a *Girls Who Invest* scholar, shared that “Working at Arsenal as an investment intern was one of the best summer experiences I could have ever imagined. As someone who began the internship with relatively little finance experience, it was incredible to meet people who were so knowledgeable, kind, and invested in my growth. It is also rare for someone my age to get hands-on investment and deal experience in such a supportive setting, which is exactly what the firm provided for me and the rest of the internship class. The team provided me with multiple mentors who I could look to for career guidance and growth.”



## CELEBRATING OUR PROFESSIONALS

At Arsenal, we aim to celebrate and uplift the women at Arsenal and in our community. As such, we host various events throughout the year to recognize their positive impacts on the Firm.

In March 2023, Arsenal held its second annual International Women's Day Dinner, dedicated to honoring and supporting the Firm's women. The evening provided an opportunity for our women employees to network and reflect on their accomplishments and achievements.

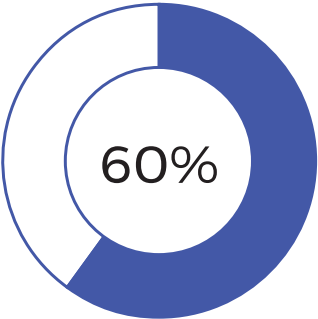
In December, we hosted our annual Women in Private Equity Breakfast. On behalf of our attendees, Arsenal reaffirmed its support of women in the industry by making a donation to *Girls Who Invest*.



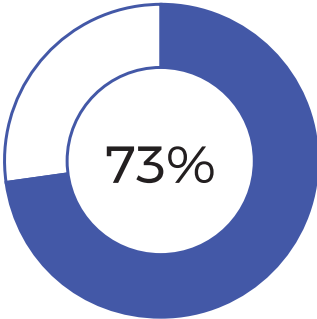
**RESPONSIBLE INVESTING**  
**IN OUR PORTFOLIO**

# PORTFOLIO HIGHLIGHTS

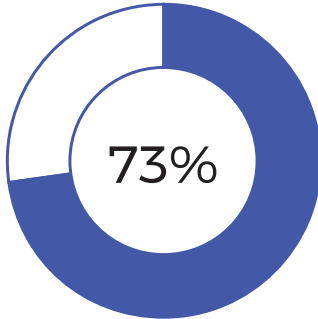
**ARSENAL COLLECTS** a series of uniform ESG metrics from portfolio companies in Fund V, Fund VI and the Small Cap Fund to provide investors with a sense of the breadth of responsible investing activities.<sup>1</sup> The metrics reflect the responses from 15 portfolio companies: eight industrial growth companies and seven healthcare companies. Highlights from the 2023 metrics collection are shown below:



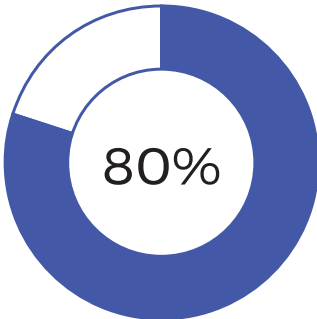
measure their GHG emissions



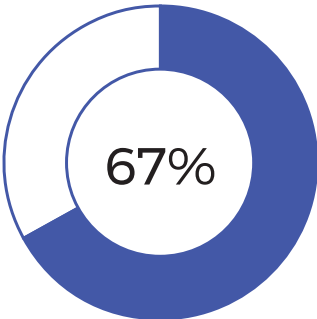
have energy reduction initiatives in place



conduct an employee feedback survey



have a health & safety policy



have a TRIR equal to or below the industry average<sup>2</sup>

**1.5M**

total health & safety training hours provided

**146K**

cybersecurity training hours provided

**Zero**

environmental violations across Arsenal's industrial growth portfolio companies

1. Portfolio companies where Arsenal's ownership stake represents less than 25% are excluded from the KPI collection exercise.  
2. Total Recordable Incident Rate (TRIR) for the primary industries in which the companies operate based on NAICS codes. Source for industry TRIR averages: <https://www.bls.gov/iif/nonfatal-injuries-and-illnesses-tables/table-1-injury-and-illness-rates-by-industry-2022-national.htm>



# SUSTAINABLE DEVELOPMENT GOALS



**THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS** (UN SDGs) provide a blueprint for a better and more sustainable future for all by addressing the global challenges that our world faces. The business activities of many Arsenal portfolio companies address several of the UN SDGs.

## UN SDGs

## UN TARGET

## PORTFOLIO COMPANIES



**3. GOOD HEALTH AND WELLBEING:**  
Ensure healthy lives and promote well-being for all at all ages

**3.4** Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

**Accumen** (blood management program)  
**Epic Sciences** (oncology profiling)  
**CellCarta** (precision medicine testing for oncology, infectious diseases, or autoimmune diseases)  
**Certara** (pediatric drug development with bio simulation services and regulatory science)  
**MaxHealth** (value-based primary care)  
**OncoHealth** (technology-enabled oncology care)



**7. AFFORDABLE AND CLEAN ENERGY:**  
Ensure access to affordable, reliable, sustainable and modern energy for all

**7.2** Increase substantially the share of renewable energy in the global energy mix

**AvCarb** (advances zero emissions energy technology through the production of fuel cells that generate both heat and electricity from clean hydrogen fuel)



**9. INDUSTRY, INNOVATION AND INFRASTRUCTURE:**  
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

**9.4** Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

**AvCarb** (manufactures innovative water-based adhesive tapes that reduce GHG emissions by 50% and VOC emissions by 98% compared to peers)  
**Seal for Life** (manufactures innovative coating and sealing technologies that protect and extend the lifetime of critical infrastructure assets)



**12. RESPONSIBLE CONSUMPTION AND PRODUCTION:**  
Ensure sustainable consumption and production patterns

**12.4** Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.  
**12.5** Substantially reduce waste generation through prevention, reduction, recycling and reuse.

**ATP** (optimizes material efficiency by reducing inputs and minimizing hazardous waste)  
**Chroma** (aims to reduce waste generation by 30% by 2030; G-Series products enables total utilization of color pellets and reduces waste)  
**Revolution** (closed-loop manufacturer of post-consumer recycled and post-industrial recycled products)



**13. CLIMATE ACTION:**  
Take urgent action to combat climate change and its impacts

**13.2** Integrate climate change measures into national policies, strategies and planning

**ATP** (implementing energy reduction measures)  
**Chroma** (aims to reduce energy across all plants by 25% by 2030 compared to 2021 baseline)  
**Invio Automation** (formerly Eckhart) (implementing energy reduction measures)  
**Fralock** (implementing energy reduction measures)

**CASE  
STUDIES**



**SECTOR:**  
INDUSTRIAL GROWTH

**INVESTMENT YEAR:**  
2019

**STATUS:**  
FORMER

**FOCUS AREA:**  
SPECIALTY  
COATING SOLUTIONS

## FOCUSING ON CHEMICAL REFORMULATION TO ELIMINATE ENVIRONMENTAL AND SAFETY IMPACTS

In December 2020, Arsenal's coating platform portfolio company, Seal For Life, completed an add-on acquisition of Canusa-CPS, a Canadian-based subsidiary of ShawCor Ltd. and an industry competitor of Seal For Life in field-applied infrastructure coatings products and technologies that are engineered to protect against a range of challenges, including corrosion, extreme temperatures, and mechanical damage. For many years, Canusa-CPS had used perchloroethylene, or PERC, as a process solvent in the manufacturing of its heat shrink sleeve products.

Arsenal understood that PERC was a hazardous substance that may pose significant environmental, and health and safety risks. In response, Arsenal developed an action plan in collaboration with the Canusa-CPS team immediately following the acquisition to significantly reduce and ultimately eliminate the use of this regulated solvent.

Under Arsenal's leadership, the company established a PERC elimination project plan and timeline, and Arsenal supported the Canusa-CPS team with rationalization, portfolio optimization and new formulation development efforts with the objective of phasing out the use of PERC. The team was able to achieve close to a 95% PERC usage reduction through the first quarter of 2024 with an expectation of 100% elimination by 2025. In April 2024, Arsenal sold Seal For Life to Henkel, a leading multinational chemical and consumer goods company.





**SECTOR:**  
INDUSTRIAL GROWTH

**INVESTMENT YEAR:**  
2019

**STATUS:**  
CURRENT

**FOCUS AREA:**  
SUSTAINABLE  
PLASTIC SOLUTIONS

## PROVIDING RECYCLED STRETCH FILM FOR FOOD CONTACT APPLICATIONS

Revolution is a manufacturer of sustainable loop, high-performance plastic solutions with collection, recycling and manufacturing operations throughout the United States and Canada. Through its unique, circular approach to recycling and manufacturing, Revolution diverts over 300 million pounds of plastic waste from landfills every year, processing it into high-quality certified recycled resin and putting it back into sustainable products like trash can liners, reusable carryout bags, stretch film and construction films.

In October 2023, Revolution received a Letter of No Objection (LNO) from the U.S. Food and Drug Administration for Revolution's proprietary recycling method to produce post-consumer recycled, linear low-density polyethylene made from recycled stretch film. The LNO allows Revolution's products to be used in food contact applications. This achievement represents the latest milestone from Revolution's ongoing work to bring recycled material innovations to the industry's broadest uses within the food packaging sector.

As brands and retailers seek out ways to reduce their carbon footprint and achieve ESG goals to meet the growing demand for recycled content in their products, this breakthrough further opens the door for sustainable plastic solutions.



## MaxHealth

**SECTOR:**  
HEALTHCARE

**INVESTMENT YEAR:**  
2020

**STATUS:**  
CURRENT

**FOCUS AREA:**  
HEALTHCARE TECHNOLOGIES  
AND SERVICES

### IMPROVING HEALTH OUTCOMES THROUGH VALUE-BASED CARE

Through its more than 50 owned and affiliated clinics, MaxHealth provides primary care to over 95,000 patients. Unlike fee-for-service health care models, MaxHealth applies a value-based health care approach that ties the earnings of health care providers to the results it achieves for its patients by focusing on preventative care that provides better health outcomes and greater efficiency in health care delivery.

MaxHealth accomplishes this by focusing on optimizing healthcare delivery, increasing access to care, inpatient and post-discharge care management, and providing access to a preferred specialist network. Through the utilization of proprietary, high-tech infrastructure and business intelligence, patients who have more complex clinical and social conditions are identified for proactive touchpoints to assess, educate, support and prevent unnecessary events and progression of disease. MaxHealth's integrated care management model begins with new patient orientation, including education around its approach to quality care. The company's model is designed to achieve optimal patient outcomes through initiatives, such as 24/7 access to care, transportation, mail-order pharmacies, and on-site labs.

By following this approach, MaxHealth's care teams have positively impacted health outcomes by reducing acute utilization and by consistently engaging patients throughout their care journeys. In 2023, the work of the integrated care teams at MaxHealth has resulted in reduced hospital inpatient admissions by 7% and emergency room visits by 15%.

MaxHealth is recognized by large insurance companies and by Medicare as one of the highest performing primary care medical groups in the State of Florida.





**SECTOR:**  
HEALTHCARE

**INVESTMENT YEAR:**  
2019

**STATUS:**  
CURRENT

**FOCUS AREA:**  
HEALTHCARE TECHNOLOGIES  
AND SERVICES

## ADVANCING CLINICAL OUTCOMES FOR UNDERREPRESENTED COMMUNITIES

For nearly 20 years, Hopebridge has been on a mission to ensure all children have access to high-quality autism care, no matter their background, circumstances or zip code. Research published by the Journal of Developmental and Behavioral Pediatrics shows an urgent need for increased care in diverse communities.<sup>1</sup> Compared to the research findings, Hopebridge provides greater access to care for children from ethnically diverse backgrounds (access for Black and Hispanic children is 38% and 28% above average, respectively), as well as for families at or below the poverty line (28% above average).



In 2023, Hopebridge partnered with other organizations to launch the National Autism Data Registry (NADR). First of its kind, NADR tracks and creates longitudinal benchmarks concerning the quality of applied behavior analysis (ABA) treatment measures across providers with the objective of improving autism care.

Based on the inaugural data collection, Hopebridge's quality index score was 154, which is 25 points higher than the average provider. More significantly, the data shows that Hopebridge also is a leader in providing value-based care, as evidenced by the quality index score relative to the cost use score, which refers to care affordability, as Hopebridge outperformed the national average by 7%.

Together, these findings highlight Hopebridge's efforts to serve the underserved. Committed to improving clinical outcomes and providing high-quality care irrespective of ethnic or socioeconomic background, Hopebridge is contributing to positive outcomes for its patients.

1. Aylward, Brandon S. et. al. "Racial, Ethnic, and Sociodemographic Disparities in Diagnosis of Children with Autism Spectrum Disorder." Journal of Developmental and Behavioral Pediatrics: JDBP vol 42,8 (2021): 682-689.

**ARSENAL**  
**GIVES BACK**

# PHILANTHROPY AND VOLUNTEERISM

Since inception, Arsenal's purpose has always been to positively impact and benefit all constituencies and to do business the right way. This aspiration translates into our support of philanthropic organizations whose mission aligns with our values and purpose. In 2023, Arsenal and its employees' philanthropic efforts reached more than 60 organizations with missions linked to medicine, research, education, performing arts, and food security, to name a few. Between individual contributions and firm matched donations, Arsenal collectively donated over \$340,000. In addition, many Arsenal employees took on leadership positions within the organizations in which they were involved. In 2023, 13 employees served on the boards of non-profit organizations.

## \$340K

in collective donations

## 100K

meals provided to children  
who experience food insecurity

## 60+

non-profit organizations who received  
donations from Arsenal's employees

## ORGANIZATIONS WE SUPPORT





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This Report covers the time period beginning on January 1, 2023, and ending on December 31, 2023, unless otherwise indicated.

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