



2024 Annual Report

Environmental, Social and Governance





Our Commitment to ESG

Since our founding in 1986, Centre Partners (Centre or the Firm) has developed collaborative partnerships with both our management teams as well as our portfolio companies, built out an extensive network of resources, and maintained an excellent track record for responsible investing over the past 38 years through investments in 91 different companies.

Centre Partners recognizes the important role environmental, social, and governance (ESG) considerations has throughout the entire investment lifecycle of our portfolio as well as within our day-to-day firm operations and investment thesis. Throughout the years, Centre has developed, improved upon, and strengthened our overarching ESG program as well as incorporated ESG considerations into our investment process and ownership practices for our portfolio companies.

During 2024, the Firm continued to execute as well as improve upon its formal ESG program guided by our updated ESG policy, due diligence process, and updated monitoring procedures and commitments.

ESG Governance

Our ESG principles, which seek to integrate ESG considerations into our investment process, were developed based on the guidelines established by the UN Principles for Responsible Investment (UN PRI) and the American Investment Council's Guidelines on Responsible Investment (GRI).

ESG Due Diligence

Centre performs a third-party diligence review of potentially material ESG topics for each new investment to simultaneously identify areas of risk that may affect the performance of the business and also detect opportunities to enhance the value of our businesses.

Active Ownership

Priority ESG focus areas identified during due diligence are leveraged to establish relevant ESG metrics that, through established monitoring and reporting procedures, quantify the extent to which ESG standards are successfully being integrated across the portfolio. Additionally, Centre joined the ESG Data Convergence Initiative (EDCI) with plans to continue to collect and report on the designated ESG metrics outlined by the organization.



“ At Centre Partners, we believe that our sustained commitment to responsible investment helps to drive long term value creation. ”

Enhancing ESG Capabilities

In 2024, Centre Partners has continued to grow and advance our approach to ESG through both our governance policies as well as our portfolio-wide metrics collection.

This year, Centre engaged with our third-party ESG advisor to review and update our ESG Policy to accurately reflect the Firm's approach to ESG during our investment, holding, and exit periods.

Utilizing the Sustainability Accounting Standards Board ("SASB") and our third-party ESG advisor, material ESG topics and metrics for new portfolio companies are used to identify potential areas of ESG risk or value creation opportunities during pre-investment due diligence. This has allowed the Firm and the individual portfolio companies' management teams to develop thoughtful onboarding processes as well as actively manage and report on these ESG considerations during investment holding periods.

Additionally, Centre has continued to utilize our internal ESG monitoring and reporting strategy, which has allowed the Firm to comprehensively measure each portfolio company's ESG performance over time across their identified ESG focus areas. In 2024, the Firm also initiated the collection and reporting of standardized, portfolio-wide metrics to the EDCI, a collaborative effort to collect, report on, and benchmark ESG metrics across the private investment industry.



In 2024, Centre Partners joined the ESG Data Convergence Initiative (EDCI). The EDCI was established several years ago as a collaborative effort between General Partners (GPs) and Limited Partners (LPs) with the goals of:

- Standardizing metrics which are reported by GPs to LPs;
- Increasing the efficiency with which ESG data can be shared by GPs and LPs; and
- Establishing a central database of ESG performance-based data for a large universe of private companies in order to measure and enable benchmarking metrics versus peers.

Since its foundation, hundreds of GPs representing thousands of private companies have joined the EDCI platform, which has emerged as a preferred method and platform of ESG Reporting for both GPs and LPs.

The EDCI is focused on metrics that are:

- Globally-accepted
- Meaningful
- Comparable
- Dynamic
- Straightforward
- Actionable
- Objective

As a result, the EDCI landed on the following metrics to collect across private markets:

<p>GHG Emissions</p> <ul style="list-style-type: none"> • Scope 1 • Scope 2 • Scope 3 (optional) 	<p>Net Zero</p> <ul style="list-style-type: none"> • Strategy • Target • Ambition 	<p>Renewable Energy</p> <ul style="list-style-type: none"> • % renewable energy usage 	<p>Diversity</p> <ul style="list-style-type: none"> • % women on board • % women in C-suite • % underrepresented groups on board (optional based on region)
<p>Work-related Accidents</p> <ul style="list-style-type: none"> • Injuries • Fatalities • Days lost due to injury 	<p>Net New Hires</p> <ul style="list-style-type: none"> • Net new hires (organic and total) • Turnover 	<p>Employee Engagement</p> <ul style="list-style-type: none"> • Employee survey (yes/no) • Employee survey response (optional) • Employee sentiment and score (optional) 	

These metrics are reported annually on April 30th for the prior calendar year. ESG metrics reported to the EDCI by the Firm's portfolio companies are available to review trends and to benchmark against other privately held companies in similar markets. **As 2024 was Centre's first year reporting to the EDCI, the Firm expects to improve data quality year over year to ensure better outputs and accurate trends over time.**


Focus Areas and ESG Highlights

Centre Partners continues to manage and monitor each portfolio company's ESG focus areas throughout our holding period.

Throughout 2024, our companies have utilized and implemented several initiatives to oversee material ESG topics for their individual business operations. Examples of such initiatives and programs are highlighted below:

	<p>Family of companies, including Toney Healthcare, Rebellis Group, and Advent Advisory, providing healthcare consulting services focused on compliance, management, strategy, and clinical operations for managed care and commercial health plans.</p>
<p>Focus Areas</p> <ul style="list-style-type: none"> Employee Recruitment, Development, & Retention Client Satisfaction Data Privacy & Data Security Employee Engagement, Diversity, & Inclusion Business Ethics 	<p>Highlights</p> <p>Alerion's Toney Healthcare business improved and expanded its recruitment process in 2024 via the use of additional third-party recruiters as well as standing meetings of the executive team regarding open positions and employee turnover.</p> <p>To enhance company culture and belonging, Toney Healthcare implemented several initiatives, including celebrating Customer Service Week in 2024 which focused on engagement with its customer-facing staff.</p> <p>The Alerion platform company has continued to focus on client satisfaction via various customer retention initiatives and regular reporting of client feedback results.</p> <ul style="list-style-type: none"> Toney Healthcare in particulate also conducted a formal customer service survey in 2024 in order to improve client engagement. <p>Further in 2024, Rebellis Group conducted an organization-wide employee satisfaction survey which showed overall job satisfaction, fueled by respect between managers and consultants, shared goals, and focus on work/life balance.</p>



	<p>AT&T national authorized retailer and service provider offering connected mobile devices, accessories, and other devices and services.</p>
<p>Focus Areas</p> <ul style="list-style-type: none"> Energy Management Employee Recruitment, Development & Retention Employee Engagement, Diversity, & Inclusion Customer Satisfaction Data Security Data Privacy Business Ethics 	<p>Highlights</p> <p>This past year, Alliance Mobile has focused on developing and implementing a programmatic and proactive approach to monitoring and investigating fraud and loss prevention.</p> <p>Alliance Mobile continues to be in the top percentage of customer satisfaction compared to other national AT&T dealers.</p> <p>The company is researching potential initiatives surrounding employee benefits and wellness based on competitor information and industry feedback.</p> <p>For the tenth consecutive year, Alliance Mobile received the award for Metro Detroit's The Best and Brightest Companies to Work For®.</p>





Seafood-themed quick-service restaurant group.

Focus Areas

- Energy Management & Resource Efficiency
- Waste Management
- Food Safety
- Health & Nutrition
- Labor Practices
- Supply Chain Management & Materials/Ingredient Sourcing

Highlights

Captain D's has continued to research, explore, and test various energy efficiency products and methods for its restaurant locations, including replacing equipment with electric and/or more energy efficient units.

With a focus on throughput and efficiency, Captain D's has also designed and rolled out an Express Restaurant prototype restaurant layout for drive thru and walk in service and initiated roll out of the prototype and associated improved kitchen efficiency at a dine in location.

Based on feedback from staff, Captain D's has rolled out additional benefits and resources for employees such as flexible working arrangements and an Employee Assistance Program (EAP). This included a partnership with the third-party company Calm which provides mental health and employee wellness resources.

Captain D's has also partnered with Giving Kitchen, an outside organization which can provide assistance to employees with financial crises which may not be covered by or exceed the grant limit of the company's own Captain's Quarters employee financial assistance program.



Provider of medical and psychological evaluations and clinical research.

Focus Areas

- Data Security & Customer Privacy
- Employee Health & Safety
- Employee Engagement, Diversity & Inclusion
- Business Ethics
- Customer Welfare

Highlights

Within the past year, IMA has seen an increase in participation in its workforce wellness program which encourages employees to proactively manage and improve their health via annual physicals and fitness challenges.

In 2024, driven by initiatives from the newly formed diversity, equity, and inclusion (DEI) group, IMA enhanced and expanded the company's employee benefits, including improved parental leave benefits. The company also increased access to mental health coverage via health insurance and access to a free online physical therapy application and its services.

The company has also seen increased involvement this year in its recently established catastrophic leave program which allows employees to donate their paid time off (PTO) to employees who have experienced a significant event such as an accident, natural disaster, etc.

IMA hired a new Head of Compliance in Clinical Research who is currently working to improve systems to track compliance throughout the company.





E-commerce platform providing branded footwear products.

Focus Areas

- Energy Management & Resource Efficiency
- Employee Recruitment, Development, & Retention
- Employee Engagement, Diversity, & Inclusion
- Data Security
- Data Privacy
- Supply Chain Management
- Product Stewardship & Safety

Highlights

During 2024, KNS focused on expanding employee engagement via quarterly surveys to gauge employee satisfaction. The company also partnered with FranklinCovey to offer an online platform for its leadership team which provides resources, training, and means to engage in areas of focus and growth.

KNS has built out a robust unconscious bias program, which included a training program, reviewing managers for unconscious bias, and adding additional levels of hiring interviews for all positions to help eliminate bias during recruitment.

The company has also expanded recruitments channels in an effort to focus on expanding diversity within its workforce.

KNS has continued to improve its supply chain management and optimize inventory, which has resulted in freight requirements being halved across its supply chain. KNS has also hired a team dedicated to sourcing and supply chain management to improve transparency in product quality and standardization in materials and sizing.



Leading owner and operator of fitness clubs under the Planet Fitness banner.

Focus Areas

- Energy Management
- Customer Welfare
- Employee Health & Safety
- Employee Engagement, Diversity & Inclusion

Highlights

One World Fitness has introduced the use of demand controllers which help to load-level electricity consumption and peak loads.

The company has observed significant improvements in water efficiency at its clubs where flushing meters and low-flow shower heads were installed in 2023, noting a 21% reduction in these clubs' water usage this year.

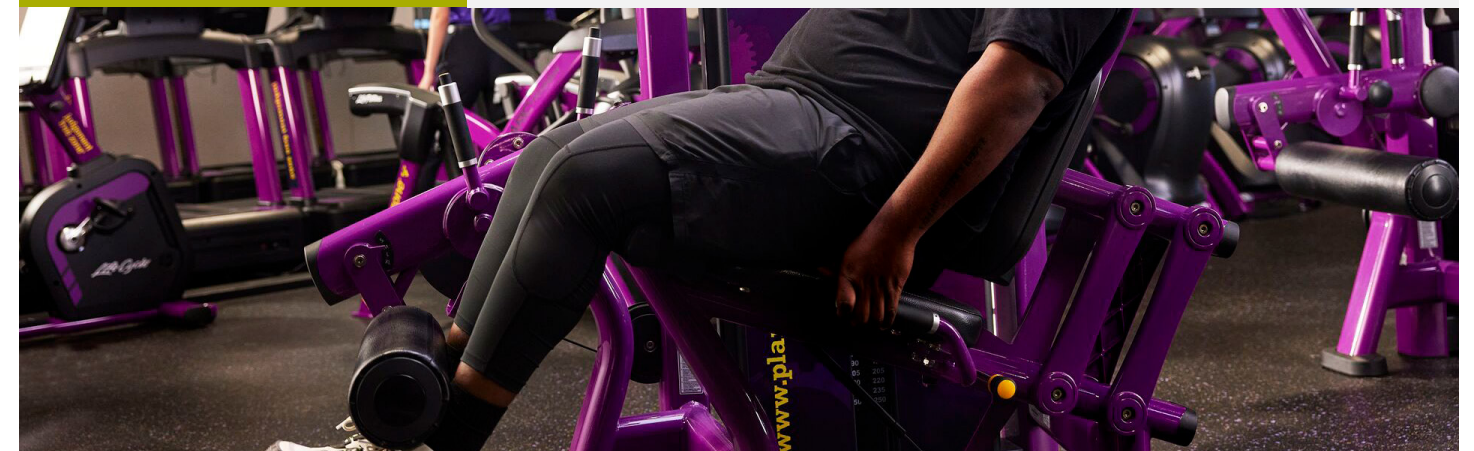
One World Fitness continues to conduct Voice of Customer satisfaction surveys and reported an overall net promoter score (NPS) of approximately 60 out of 100 in 2024 as well as scores of approximately 90 out of 100 for courtesy, staff, and facilities.

One World Fitness continued its participation in High School Summer Pass this year which allowed approximately 30,000 high school students to use the company's facilities for free. Survey results from the program indicated that 87% of participating teens reported feeling improved mental health from this program.

To increase accessibility, One World Fitness has expanded the use of SciFit gym equipment at its clubs which are designed to allow wheelchairs to go right next to the equipment. Additionally, One World Fitness has also expanded digital workout offerings to members to include floorless workouts for members who are not able to reach the floor to work out as well as workout videos with both auditory descriptions and subtitles for hard of hearing and visually impaired members.

One World Fitness added bike racks at club locations in 2024 to help promote accessibility to the company's facilities for both teens as well as other individuals without access to personal vehicles.

The company has worked to expand and enhance safety culture at One World Fitness through a behavior-based approach and root cause investigations when an incident occurs.





Provides builders and homeowners with roofing services, including new roof construction, roof repair, and roof replacement.

Focus Areas

- Energy Management & Resource Efficiency (incl. Fleet Fuel Management)
- Waste & Hazardous Materials Management
- Service Quality & Safety (incl. Customer Satisfaction)
- Employee Recruitment, Development & Retention
- Workforce Health & Safety
- Business Ethics & Professional Integrity

Highlights

In 2024, Quick Roofing revamped its benefits to provide greater coverage while reducing costs for employees. The updated benefits include a new Employee Assistance Program and the option for telehealth services.

The company launched a weekly "Toolbox Talk" email, sent every Friday, which covers a different safety topic each week.

Quick Roofing also began a new initiative to update and revise its policies, including its Code of Conduct and Business Ethics.



Leading manufacturer of branded and private label Hispanic foods, including cheeses, desserts, and meats.

Focus Areas

- GHG (Greenhouse Gas) Emissions & Energy Management
- Water & Wastewater Management
- Product Quality & Safety
- Employee Health & Safety
- Employee Engagement, Diversity & Inclusion
- Supply Chain Management

Highlights

In January 2024, Sabrosura introduced a corporate strategy to focus on operational efficiency, procurement savings, and culture, with quality and safety as core priorities. The company also began conducting quarterly town halls in 2024.

This past year, Sabrosura hired a dedicated Wastewater Coordinator to work closely with local municipalities in order to identify opportunities for Sabrosura to reduce the amount of high strength process wastewater discharged to the public sewer system.

Sabrosura continues to conduct fourth-quarter employee engagement surveys with a goal of improving favorability by 76% in 2024. The company also introduced pulse surveys to gather ongoing feedback from employees. Based on results from the pulse surveys, Sabrosura introduced formal leadership training for all management and launched a recognition program focused on safety and value alignment.

In addition to revamping Sabrosura's existing Plant Safety Committees as well as the company's safety procedures and training programs, Sabrosura also established a Safety Steering Committee to help prioritize company-wide safety initiatives across Sabrosura's four facilities. The company also launched a behavior-based safety program, the Good Catch Program, in 2024 to train employees to actively identify workplace hazards in an effort to implement proactive corrective actions.

This past year, Sabrosura increased multi-stop deliveries by 20% by utilizing a third-party freight management company to create more efficient transportation and delivery methods. The company also initiated plans to implement a demand planning system in 2025.

In 2024, Sabrosura implemented a higher standard of milk audits for its suppliers. This standard includes monthly surveillance of milk and monitoring suppliers' ingredients quality.





Provider of premium quality juices, smoothie bases, culinary ingredients, and mixology solutions to the foodservice industry and retail customers.

Focus Areas

- Energy Management
- Water & Wastewater Management
- Product Quality & Safety
- Selling Practices & Product Labeling
- Employee Health and Safety
- Supply Chain Management

Highlights

In 2024, Sun Orchard has worked towards consolidating several of its warehouses into one central location, which is anticipated to lead to a reduction of transportation mileage, costs, and associated emissions. Additionally, the central warehouse was fitted with motion detectors throughout the entire building to improve energy efficiency.

Sun Orchard has continued to utilize the supply chain program NETSTOCK which has allowed the company to utilize detailed demand trends and plans to continually improve scheduling, leading to a minimization of cleaning requirements between juice batches and reduction of associated waste and chemical cleaner usage.

The company has also maintained superior product quality throughout 2024 with no food safety violations, recalls, or other issues to note while remaining in compliance with the All Natural, Non-GMO, and Clean Labels. Additionally, Sun Orchard has continued to maintain a high Safe Food Quality (SFQ) certification score.

Safety is a permanent fixture within the company culture at Sun Orchard, which includes conducting recurring practical training for employees year over year. This focus on safety has led to the company's two facilities not experiencing any OSHA recordable incidents for over a year.



Provider of landscaping services for residential and commercial customers.

Focus Areas

- Energy and Fleet Management
- Water Management
- Employee Health and Safety
- Employee Engagement, Diversity & Inclusion
- Labor Practices
- Supply Chain Management and Materials Sourcing
- Business Ethics

Highlights

In 2024, United Land switched the company's driver global positioning system (GPS) and telematics provider in order to receive more insight into employees' driving activities and behavior. The company plans to utilize this information to minimize excessive idling, speeding, and unsafe driving behavior.

United Land has expanded and improved its workforce health and safety via several initiatives implemented this past year:

- Developed and launched a new and comprehensive corporate safety manual which is available to all employees
- Implemented additional training requirements on first aid, cardiopulmonary resuscitation (CPR), and Occupational Safety and Health Administration (OSHA) 10 training
- Doubled safety managers in the field observing and training employees
- Increased the cadence of safety and facility audits

United Land switched healthcare benefits providers to offer better options for employees at a lower cost. This change has led to a 30% increase in employees opting into healthcare coverage via the company during open enrollment.

The company has also recently engaged in government contracts for services, leading to partnerships with woman and minority owned businesses within United's supply chain, with an average of 25% of the contracts' revenue directed towards these partnerships.



Key Theme Across the Fund



Cybersecurity and Business Continuity

In a time when threats to businesses range from online attacks by malicious actors and information technology (IT) disruptions to increasingly frequent and intense physical disasters, our portfolio companies have taken steps to ensure cybersecurity and continuity of their operations.



Alliance Mobile has continued to maintain a data privacy and cybersecurity program consisting of policies, employee training, phishing reports, and vulnerability tests conducted by the company's IT Department. This program has resulted in no data breaches experienced by Alliance Mobile in 2024.

The company also maintains business continuity policies and procedures in the event of physical disasters or IT disruptions, such as work tablets having cellular service so to continue to help customers in the event of internet outages.

The company maintains power banks at its locations for customers to charge devices during emergencies.



In order to develop a stronger security culture as well as raise awareness of cybersecurity issues, Captain D's IT Department, alongside the third party KnowBe4, maintains an extensive and ongoing cybersecurity training initiative for its employees where all employees with email complete training programs on topics such as password protection, security awareness, and phishing as well as undergo phishing tests. As a result, Captain D's was shown to receive a risk factor score 10% points lower than industry average for phish-prone activities.

Captain D's maintain a comprehensive suite of Crisis Management Policies which outline procedures and resources for employees to follow in the instance of physical events, such as natural disasters and power outages, as well as food and water safety concerns.



Completed Security Operations Center (SOC) 2 certification for the first year, which is a best practice for data security programs. IMA also went through an extensive cybersecurity audit this past year with superior results.

IMA also rolled out a new anti-phishing training program to employees which is tied into the company's learning management system.

The company maintains business continuity plans and conducts training programs and tabletop exercises of the plan with employees annually. Additionally, IMA has continued to support and expand remote work for its workforce so that employees are not tied to a specific office, increasing the company's resilience to physical business continuity events.



In 2024, KNS reviewed, updated, and launched a revised disaster recovery plan to its employees. The improved plan includes procedures for cybersecurity as well as IT disaster recovery.

KNS has continued to conduct phishing tests with its workforce, including individualized follow ups with employees by the Director of IT in the instance of failed tests.

The company is also in the process of improving security surrounding customer personally identifiable information (PII).



In 2024, One World Fitness developed an Incident Response Plan which includes procedures, resources, protocols, and recovery processes in the instance of an IT event. The company also maintains redundancies for backups and restoration in order to minimize IT downtimes.

To proactively manage and monitor cybersecurity, One World Fitness continues to utilize a third-party provider to conduct annual security assessments and penetration tests of its systems as well as phishing tests. The company also maintains procedures to verify employee identification in order to combat voice and visual deep fakes.

One World Fitness also has procedures for employees to follow in the instance of natural disasters as well as protocols in place to open clubs up to non-members for access to shelter and showers as well as utilization of clubs as a safe zone for people fleeing a natural disaster.



Sabrosura maintains a cybersecurity program with enhanced data security training and phishing email exercises.

The company maintains programs for business continuity, such as earthquake evacuation at their California facility.



Throughout the past financial year, Sun Orchard has implemented several data privacy and data protection initiatives, including onboarding employees to KnowBe4 cybersecurity training, use of MFA for cloud-based systems, and improved email scanning.

The company has also implemented several IT redundancies to help guard against IT disruptions to its operations; such redundancies include the implementation of redundant local and cloud backups of systems as well as reducing server contingency timeframes to 15 minutes.

Sun Orchard also maintains business continuity plans for its Florida facilities which include detailed procedures to follow in the instance of a natural disaster such as a hurricane.

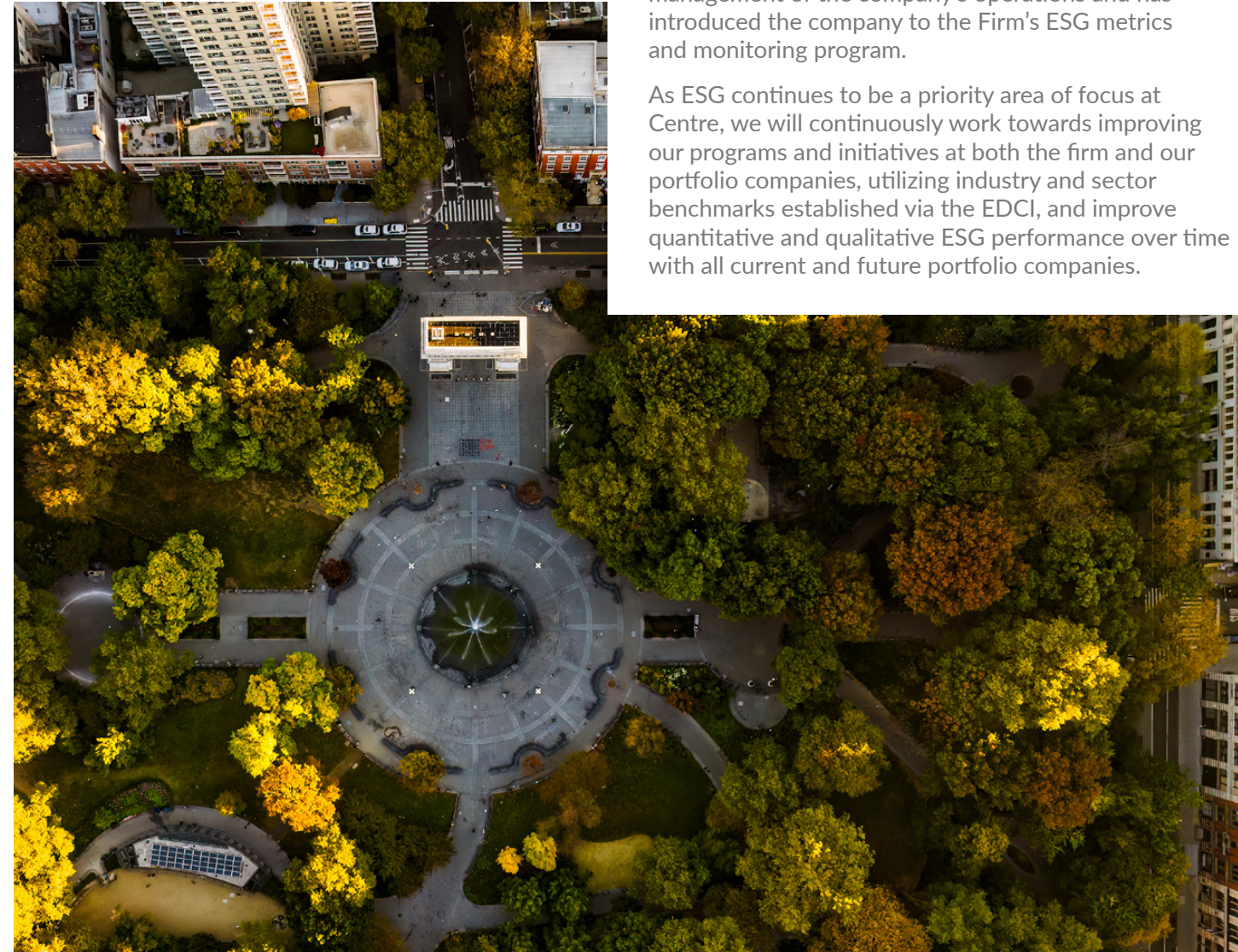


United requires that all user accounts utilize multi-factor authentication (MFA). Additionally, anti-virus programs and firewalls are installed on all company desktop/laptop computers and locations and endpoint management is used for phones and tablets.

United has not experienced data breaches in the past year.

Conclusion

Throughout Centre Partners' 38-year history, we have witnessed the increasing importance of environmental, social and governance (ESG) considerations in the investing environment. This evolution surrounding ESG has led to the continued development and implementation of a strong ESG program to proactively identify and manage potential risks faced by our portfolio companies as well as recognize value creation opportunities to enhance value throughout the investment process.



Our ESG strategy has not only enabled Centre to identify, develop, and track material ESG metrics for monitoring at the portfolio company level but also prioritize ESG during the due diligence process, support ESG initiatives across our portfolio to improve companies' ESG performance, as well as establish an annual reporting process. With the initiatives conducted in 2024 – including the refresh of our ESG policy and joining the EDCI – the Firm has continued to improve on our approach to monitoring, managing, and improving ESG performance at both the firm and portfolio company level.

During 2024, we welcomed Quick Roofing to our portfolio after conducting ESG pre-investment due diligence via our third-party advisor. Centre has worked to integrate our ESG standards into the management of the company's operations and has introduced the company to the Firm's ESG metrics and monitoring program.

As ESG continues to be a priority area of focus at Centre, we will continuously work towards improving our programs and initiatives at both the firm and our portfolio companies, utilizing industry and sector benchmarks established via the EDCI, and improve quantitative and qualitative ESG performance over time with all current and future portfolio companies.





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