

# WCAS – Promoting ESG Initiatives

WCAS is focused on responsible investment and adopted a formal ESG policy in 2013

- Policy focuses on investing for long-term sustainability, including environmental, social and governance issues
- WCAS Resources Group provides leadership for firm-wide and portfolio company ESG initiatives
- WCAS implements the policy (i) during the due diligence stage for target portfolio companies and (ii) as part of our ongoing collaboration with management of existing portfolio companies
- WCAS introduced our ESG policy to our portfolio company management teams and subsequently collected information regarding ESG initiatives at our portfolio companies



# WCAS – Implemented ESG

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- **Portfolio Company Education** – Malk Sustainability Partners presented on energy efficiency, waste management and responsible sourcing to our Portfolio Company Sourcing Council
- **Portfolio Company Monitoring** – All WCAS existing portfolio companies and new investments complete an ESG questionnaire, which is used to track participation in various programs and identify ESG opportunities. WCAS provided an update in the WCAS Partnerships' 2016 Semiannual Reports for Limited Partners
- **WCAS Philanthropy** – WCAS formed a Charity Committee, which will foster greater employee participation and financial support for events in which WCAS has historically participated such as the JP Morgan Corporate Challenge, Toys for Tots, TOIGO and SEO



# WCAS ESG Policy

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Where consistent with its fiduciary responsibilities and commercially practicable, WCAS will take into account ESG considerations and shall seek to:



- Consider social, ethical and environmental issues affecting our portfolio companies both (a) during the due diligence stage for target portfolio companies and (b) as part of our ongoing collaboration with management of existing portfolio companies
- Grow and improve the companies in which we invest for long-term sustainability, including on environmental, social and governance issues. To that end, we will work through appropriate governance structures (e.g. board of directors) with portfolio companies with respect to environmental, public health, safety and social issues, with the goal of improving performance and minimizing adverse impacts in these areas
- Be accessible to, and engage with, a range of stakeholders on key issues and challenges relating to the social, environmental and ethical issues addressed by this Policy

# WCAS ESG Policy (Continued)

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**Where consistent with its fiduciary responsibilities and commercially practicable, WCAS will take into account ESG considerations and shall seek to:**



- Ensure that portfolio company managers are able to maintain appropriate levels of oversight in the areas of audit, risk management and potential conflicts of interest
- Report to our limited partners regarding the actions taken to address the environmental, social and ethical issues outlined in this Policy and foster transparency in portfolio companies regarding these matters
- Encourage portfolio companies to advance the principles outlined in this Policy in a manner consistent with their fiduciary duties to their stakeholders