

RESPONSIBLE AND SUSTAINABLE INVESTING

2019 ESG REPORT

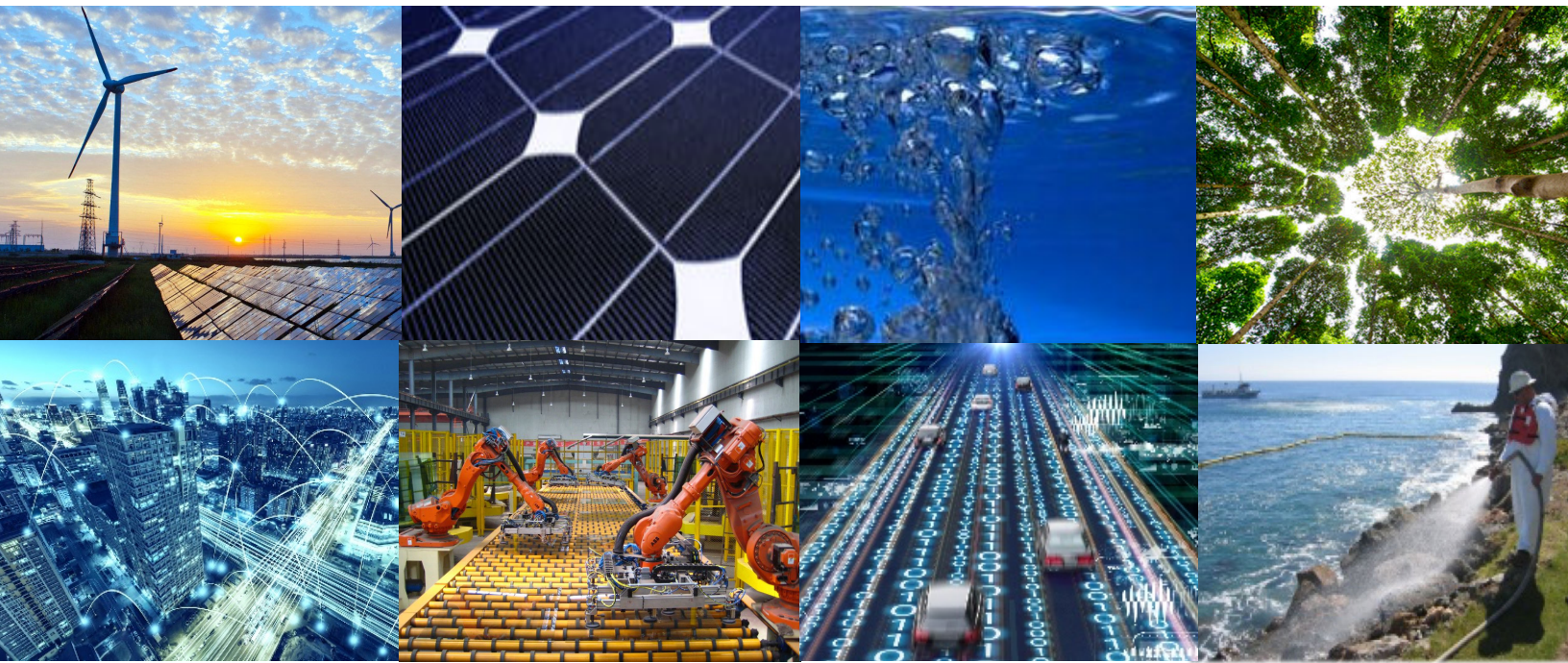


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LETTER FROM OUR LEADERSHIP

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We invite you, our partners and stakeholders, to read Angeleno Group's 2019 report on our Responsible and Sustainable Investing Program – now in its ninth year of execution.

In our 2019 ESG Report, we describe our approach as a PRI signatory to support each of the PRI's six principles for responsible investment. You will also learn more about some of the compelling ways that our portfolio companies are driving meaningful change to support the UN Sustainable Development Goals. In 2019, our portfolio companies helped to avoid over 500 million metric tons of greenhouse gas from entering the atmosphere, and employ approximately 16,000 people globally in green jobs.

Angeleno Group and its portfolio companies strive to be at the forefront of innovation and best practices across the following ESG impact themes: Renewable Energy, Energy and Resource Efficiency, Water, Smart Cities, Sustainable Forestry and Diversity and Inclusion.

By actively engaging with our portfolio companies to manage and improve performance on material ESG topics, we believe that we are better able to support them in their efforts to maximize their environmental, social and financial impact. Over the past nine years, a commitment to ESG principles has helped our firm and portfolio companies proactively manage risks, achieve important business milestones, and better serve all stakeholders. In 2019, we deepened our focus to utilize the Task Force for Climate-Related Disclosures as a framework to monitor both climate change risks and opportunities.

As we embark on a new decade – even in the midst of unprecedented global challenges – we are excited about the future investment opportunities associated with the energy transition and the growth of the low carbon economy. At Angeleno Group, we remain highly convicted about the long-term tailwinds in our sector – the need to generate renewable power at scale, make cities smarter and more resilient, and transition to a more electrified, digitized and sustainable world.

We believe that we are well positioned, in our role as a provider of growth capital and an active owner, to support the next generation of ESG-leading companies harnessing emerging clean energy and climate solutions technologies in the years to come.

On behalf of our entire team, we look forward to continued partnership with our investors, portfolio companies and stakeholders.



Yaniv Tepper
Managing Partner



Daniel Weiss
Managing Partner



William Miller
Chief Operating
Officer



Michelle Kincanon
VP, Finance &
Sustainability

FIRM PROFILE

INVESTING IN NEXT GENERATION CLEAN ENERGY AND CLIMATE SOLUTIONS COMPANIES

Founded in 2001, Angeleno Group is a pioneer in providing growth capital for next generation clean energy and climate solutions companies. We invest opportunistically in a range of deal types, with a strategy that is sector-focused, stage-agnostic and research-driven. Angeleno Group has become one of the largest dedicated clean energy growth equity investment firms, investing on a global basis with investment professionals and operating partners in the United States and Australasia. Our headquarters are in Los Angeles, California.

OUR PORTFOLIO

Angeleno Group invests in a diverse energy and climate solutions focused portfolio, selecting companies from a variety of energy market verticals, including utility-scale solar, specialized composite wind turbine blades, intelligent transportation, decentralized water treatment solutions, energy efficiency finance, energy storage, environmental and remediation services and other applications that promote efficient long-term management of natural resources. Angeleno Group's sector focus allows portfolio companies to benefit from the firm's longstanding relationships and deep industry expertise.

Our portfolio is stage-agnostic, diversified and risk-managed, high growth and targeted for high return. Angeleno Group's current investment themes and research priorities are focused on the clean energy transition – renewable power at scale; the future of energy storage; resource efficiency in water, agriculture and sustainable inputs; critical infrastructure and resiliency; industrial energy efficiency and next generation manufacturing; climate adaptation and carbon mitigation; sustainable mobility and smart cities.

OUR INVESTMENT APPROACH

Angeleno Group's investment process is designed to generate returns and mitigate risk at each stage of the investment cycle. Angeleno Group's perspective helps create value on behalf of both portfolio companies and investors, supporting entrepreneurs and management teams through the development and execution of strategic plans that leverage the insights and networks of the firm. Our investment philosophy and strategy are founded on this vision.

OUR TEAM, ADVISORS AND OPERATING PARTNERS

Together with our advisors and operating partners, Angeleno Group has a breadth of expertise and experience in leadership and operations across virtually every major segment and geography of the clean energy and climate solutions landscape. Our Partners have decades of operating and advisory experience in product development, marketing, sales, corporate finance, and strategy in high-growth companies. Angeleno Group's seasoned team has significant experience in private equity transactions, venture capital investing, public market investing, operating company management, and investment banking. This broad range of expertise allows us to fully support high-growth companies through periods of transition, expansion and monetization.

VALUE CREATION THROUGH RESPONSIBLE AND SUSTAINABLE INVESTING

Angeleno Group's Responsible and Sustainable Investing Program is designed to create value in five key areas:

Supporting Our Investment Themes	Managing Increasingly Global Reach
Enhancing Deal Sourcing	Complementing Exit Strategies
Meeting Investors Needs and Supporting Shared Goals	

SUPPORTING OUR INVESTMENT THEMES

Angeleno Group is almost exclusively invested in companies that develop products and services to reduce greenhouse gas emissions and proactively respond to critical sustainability and global environmental challenges.

There are three broad themes that underpin Angeleno Group's investment selection process:

Investment Themes	Description
Tools / Technology	We like to invest in technology-agnostic tools that enable many industry participants to flourish.
Capital Efficiency	We seek to identify companies with efficient and flexible capital structures.
Near Term Markets	We look for significant near-term markets, which can be leveraged to longer-term and much larger markets.

The evaluation of material ESG topics supports how we select investments and partner with portfolio companies to achieve growth and scalability objectives.

MANAGING GLOBAL REACH

Our investments have an increasingly global reach. Currently, our portfolio companies maintain offices and manufacturing facilities across the Americas, Europe, Asia, Australia and the Middle East. As the operations of our firm and its portfolio companies continue to globalize, ESG management and compliance – particularly related to labor and human rights – has become increasingly relevant. Additionally, the demonstration of strong ESG practices may benefit our portfolio companies as they enter into partnerships outside the United States in countries where interest in ESG is strong.

ENHANCING DEAL SOURCING

Angeleno Group's investment process is designed to generate returns and mitigate risk at each stage of the investment cycle. Our sourced deals include growth equity, first institutional equity (mid- to late-stage venture capital), and opportunistic investments including corporate divestitures, secondaries, buyouts and private investments in public equity (PIPEs). Our application of ESG considerations prior to investing provides an additional lens that we anticipate will further create value for our investors.

COMPLEMENTING EXIT STRATEGIES

Angeleno Group supports entrepreneurs and management teams through the development and execution of strategic plans that leverage the insight and network of the firm. Our investment philosophy and strategy are founded on this vision and insight.

The average holding period for our investments varies, but in broad terms we expect to hold investments for four to eight years. Our engagement with selected portfolio companies on ESG issues is focused on managing growth and supporting our portfolio companies to achieve shared goals.

MEETING NEEDS OF OUR INVESTORS AND SUPPORTING SHARED OBJECTIVES

Angeleno Group has a strong contingent of institutional investors that include leading university endowments, foundations, corporate and public pension funds, insurance companies, and family offices from the United States, Europe, Asia and Australia. Endorsement and application of principles for responsible investing is commonplace among our institutional investors. Our Responsible and Sustainable Investing Policy and Program is intended to enable us to better meet their needs and support shared objectives.



Angeleno Group team at our most recent CEO Summit and Investor Retreat.

PRI IMPLEMENTATION




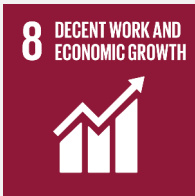


Angeleno Group is a signatory to the United Nations-supported Principles for Responsible Investment (PRI). We aim to align Angeleno Group's Responsible and Sustainable Investing Program to support each of the six PRI principles:

PRI Principles	Angeleno Group Milestones
1 – Incorporate ESG issues into investment analysis and decision-making processes	<p>Angeleno Group completed its ninth year of executing on its formal Responsible and Sustainable Investing Policy.</p> <p>We established an ESG Committee to oversee and advance execution on Angeleno Group's Responsible and Sustainable Investing Policy.</p>
2 – Be active owners and incorporate ESG issues into our ownership policies and practices	<p>Angeleno Group completed its ninth year of active ESG engagement with portfolio companies that meet the specified growth milestones in its Policy.</p> <p>We utilized the Task Force for Climate-Related Financial Disclosures (TCFD) framework to evaluate climate change risks and opportunities as part of our current ESG engagement cycle with portfolio companies.</p>
3 – Seek appropriate disclosure on ESG issues by the entities in which we invest	<p>Portfolio companies continued to complete ESG questionnaires pursuant to our Policy. Additionally, several of our portfolio companies – including New Forests and TPI Composites – reported publicly on ESG strategies and impact metrics.</p>
4 – Promote acceptance and implementation of the Principles within the investment industry	<p>Angeleno Group continues to engage with leading organizations, including the Sustainability Accounting Standards Board and World Resources Institute, to advance critical ESG issues.</p> <p>We also promoted responsible investment through engagement with the Financial Executives Alliance, Los Angeles Cleantech Incubator, and UCLA Institute of the Environment and Sustainability.</p>
5 – Work together to enhance our effectiveness in implementing the Principles.	<p>We continued to collaborate with portfolio companies to establish annual ESG action plans and performance targets.</p> <p>Angeleno Group's annual meeting of its Board of Advisors included the discussion of ESG-related trends, opportunities and implications for our portfolio companies.</p>
6 – Report on our activities and progress towards implementing the Principles	<p>Angeleno Group's 2019 ESG Report serves as our ninth annual report on our strategy and progress.</p> <p>Our reporting process and engagement activities are informed by valued feedback received from investors and portfolio companies.</p>

ADVANCING THE UN SUSTAINABLE DEVELOPMENT GOALS

As part of our commitment to advancing responsible investment, we aim to illuminate connections where our portfolio companies can support meaningful progress toward the UN 2030 Sustainable Development Goals, a leading global framework.

Through our investments, we continue to drive progress to support these global goals – prioritizing opportunities to advance energy, water, infrastructure, climate change resiliency, job creation and gender equality around the world:

 <p>5 GENDER EQUALITY</p> <p><i>Advancing gender equity and empowering women and girls</i></p>	 <p>6 CLEAN WATER AND SANITATION</p> <p><i>Enabling sustainable management of water and sanitation for communities</i></p>	 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p><i>Achieving renewable energy at scale, and increasing energy efficiency</i></p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p><i>Creating green jobs globally across local economies</i></p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p><i>Delivering leading-edge technologies to make cities smarter and more resilient</i></p>	 <p>13 CLIMATE ACTION</p> <p><i>Reducing global greenhouse emissions and supporting climate change adaptation solutions</i></p>

2019 AWARDS AND RECOGNITION

In 2019, our portfolio companies continued to receive awards and recognition for innovation and leadership. Highlights include the following:

- **mPrest** was recognized as one of *Fast Company*'s "2019 World Changing Ideas".
- **Newterra** was recognized by Deloitte as one of Canada's 50 Best Managed Companies for the 11th consecutive year – earning Platinum Member designation.
- **Patriot Environmental Services** was ranked as a Top 30 All-Environmental Firm by the *Engineering News-Record*.
- **Stem** became a five-time honoree of the 2019 Global Cleantech 100 list, in which a panel of nearly 90 experts recognized companies with the most "innovative and promising ideas in cleantech" in the world. (**INRIX**, **Newterra** and **Renew Financial** are also past Global Cleantech 100 members.)

ESG IMPACT THEMES

Angeleno Group provides growth capital to companies with innovative environmental solutions – tools, products and services – that respond to major global challenges through sustainable growth businesses.

Our near-term investment and research priorities are currently focused on:

- **The Clean Energy Transition: Renewable Power at Scale**
- **The Future of Energy Storage**
- **Resource Efficiency in Water, Agriculture and Sustainable Inputs**
- **Critical Infrastructure and Resiliency**
- **Industrial Energy Efficiency and Next Generation Manufacturing**
- **Climate Adaptation and Carbon Mitigation**
- **Sustainable Mobility and Smart Cities**

Through these investments and our role as active partners with our management teams, we believe that Angeleno Group is strongly positioned to drive substantive impact on critical environmental and social issues. As of result of this targeted investment focus, we have been able to support demonstrative impact across the following themes:

ESG Impact Themes		
Renewable Energy	Energy and Resource Efficiency	Water
Smart Cities	Sustainable Forestry	Diversity and Inclusion

In this section, we share 2019 highlights from our portfolio companies across these six ESG impact themes.



RENEWABLE ENERGY

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The use of our portfolio companies' renewable energy solutions can help cut emissions of greenhouse gases while addressing issues of energy security and the UN Sustainable Development Goals' target 7.2 – to substantially increase the share of renewable energy in the global energy mix by 2030.

Angeleno Group actively invests in growth companies that are working to dramatically increase the adoption of solar, wind and other forms of renewable energy.

DEVELOPING SMART DIAGNOSTICS TECHNOLOGY FOR THE SOLAR INDUSTRY

Kinematics is the global leader in high performing rotational motion control and smart torque technology solutions for various mission critical applications. Kinematics has grown into the world's largest manufacturer of slew drives and worm reducers to the utility-scale solar tracker markets.

Today, Kinematics serves customers in North America, South America, Europe, Australia and Asia with over one million units in service. Solar systems with Kinematics slewing drives can gain up to 40% in added efficiency compared to a fixed-tilt system, and have contributed to the generation of more than 20 gigawatts of renewable energy.



To further support the solar industry, Kinematics is actively incorporating smart diagnostics technology as part of its new products roadmap. The capacity to diagnose slew drives while in operation provides users with the ability to proactively respond to potential issues before application up-time is negatively impacted, and leverage access to aggregated drive data to monitor and analyze performance and reliability. A real-time diagnostic feedback loop also aids in continuous application design improvements by giving Kinematics' product designers quicker insights into field performance.

In 2019, Kinematics was awarded a patent for the company's foundational technology for smart slew drive diagnostics. The patent recognizes Kinematics' ability to measure drive condition, remaining service life, efficiency, and performance across all applications that is supports – all while the drive is in service and powered by an electric motor.

EXPANDING PRODUCTION CAPACITY AND EXPERTISE IN NORTH AMERICA

To expand its reach within the North American market, **Kinematics** has opened a new manufacturing facility in Nogales, Mexico. Fully operational in 2019, the 40,000 square foot facility supports two fully-equipped assembly lines and two shifts with over 100 staff members. The annual output from this facility essentially doubles Kinematics' global supply capacity and greatly enhances its production and delivery capabilities.

In 2019, Kinematics also hired a seasoned solar industry veteran with a wealth of cross-functional, industrial, and solar industry experience to lead the company's growing operations in the Americas.

RESPONDING TO INCREASED GLOBAL DEMAND FOR WIND ENERGY

TPI Composites (NASDAQ: TPIC), is the only independent manufacturer of composite wind blades with a global footprint. In 2016, TPI Composites successfully completed the largest pure play wind equipment initial public offering in United States capital market's history.

Contributing to approximately 18% of the overall global onshore wind energy market, TPI Composites has manufactured over 55,000 wind blades since 2001.



TPI Composites wind blades invoiced worldwide in 2019 are estimated to generate over 9,300 megawatt hours of energy capacity. To help strengthen its technical capabilities in support of its global operations and growth, TPI Composites acquired an engineering team in Germany in 2019, comprised of approximately 20 new experts that will focus on blade design, tooling, materials and process technology development.

TPI Composites also continued to expand its partnerships with industry-leading wind turbine OEMs. In 2019, TPI Composites signed a multi-year supply agreement with Vestas to provide blades from four manufacturing lines for India and other export markets. The blades will be produced at TPI's new state-of-the-art manufacturing hub in India, which will be able to reliably and cost-effectively serve the global wind energy markets for multiple customers. TPI Composites currently produces blades for Vestas in China, Turkey and Mexico.

A PURPOSE-DRIVEN, ESG-FOCUSED MANAGEMENT APPROACH

Recognizing that climate change is one of the most pressing issues of our time – and that **TPI Composites** is well positioned to be an important part of the solution by advancing the decarbonization of the electricity sector and supporting the electrification of vehicle fleets, the company utilizes ESG principles to deliver on its mission and strategy for growth.

TPI Composites reached an important milestone in the evolution of its ESG program with the release of the company's first sustainability report. TPI Composites' sustainability report covers 2019 performance and achievements; and aligned with the GRI and SASB standards.

Specifically, TPI Composites aims to reduce risk, increase employee satisfaction, improve operational execution and accelerate financial performance through its ESG efforts. TPI Composites' ESG program is propelled by a highly impactful, top line metric to avoid millions of metric tons in greenhouse gas emissions from entering the atmosphere. The wind blades manufactured in 2019 have the potential to eliminate 303 million metric tons of greenhouse gas emissions over their average 20-year lifespan.

Concurrently, TPI Composites achieved an 81% decrease in recordable incident rates and a 78% decrease in lost time incident rates over the last four years. In 2019, TPI Composites' employees also contributed over 23,000 hours of volunteered time to serve their communities.

ENERGY AND RESOURCE EFFICIENCY

Energy production and consumption is currently the largest source of global greenhouse gas emissions. The pressures of climate change and economic growth also place constraints on the Earth's natural resources – from minerals to fossil fuels.

Angeleno Group actively invests in energy efficiency technologies that reduce rates of household, commercial and industrial energy loss and consumption. We also invest in companies that identify compelling and profitable ways to enhance resource efficiency in commercial and industrial applications.

BATTERY ENERGY STORAGE TO ADDRESS TODAY'S DYNAMIC ENERGY MARKET

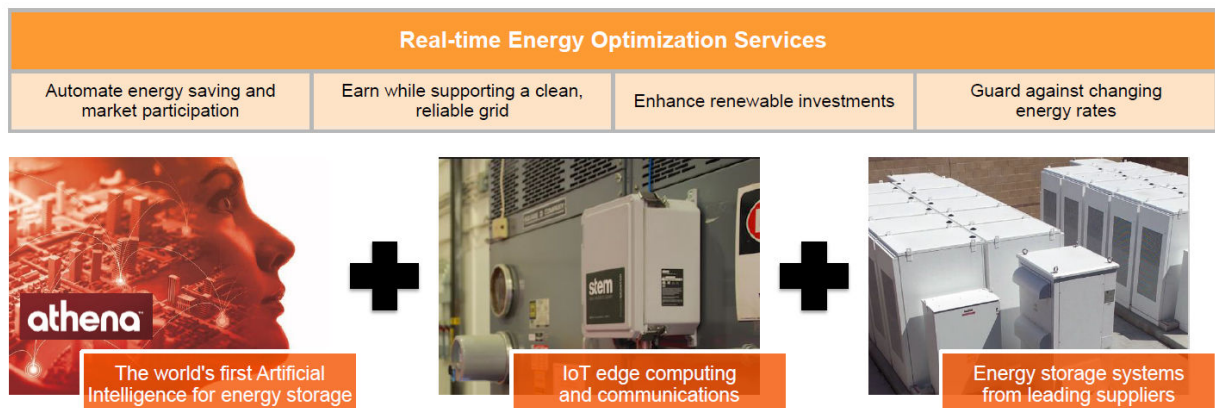
In the last five years, the battery energy storage market has become one of the fastest-growing sectors of the economy. By 2024, energy research firm Wood Mackenzie predicts that the global market for battery energy storage will grow by 13 times current levels. Bloomberg New Energy Finance projects \$50 billion in spend on energy storage by 2030. Sector growth is currently driven by a number of factors, which include the rapid expansion of wind and solar power and an increased focus on electric vehicles for transportation.

Because wind and solar are variable, they need energy storage to integrate them into energy delivery systems. **Stem** provides solutions that address the challenges of today's dynamic energy market. By combining advanced energy storage solutions with Athena™ AI, a world-class artificial intelligence (AI)-powered analytics platform, Stem enables customers and partners to optimize energy use by automatically switching between battery power, onsite generation and grid power.

MAXIMIZING ASSET VALUE THROUGH REAL-TIME ENERGY OPTIMIZATION

Stem's integrated, intelligent batteries enable frequency regulation so that an energy storage system can be charged or discharged to alleviate demands on the grid. Referred to as "peak shaving", grid demand can be reduced – providing the opportunity to sell power into the wholesale market.

As the industry leader in intelligent energy storage solutions, Stem builds and operates the world's largest digitally-connected energy storage network that benefits grid operators. Stem's proprietary AI platform, Athena™, optimizes energy asset value and facilitates customer participation in energy markets. Stem currently has more than 600 operating projects and 300 megawatts of capacity enrolled in its network.



DELIVERING LARGE SCALE, INTEGRATED, AI-POWERED SOLUTIONS

In 2019, **Stem** announced a significant industry milestone – becoming the first company with more than 100 megawatt-hours in deployed AI-driven energy storage systems. Stem also installed the largest indoor energy storage system in the United States at Boston Properties' Colorado Center in Santa Monica, California. In addition to lowering energy costs for the buildings' tenants, Stem's Athena™ powered storage system will provide additional capacity to the local utility, Southern California Edison, in the highly-congested West Los Angeles Basin.

Further expanding into “front of meter” or wholesale distributed generation, Stem has entered into partnerships with Kearsarge Energy Solutions and Syncarpha Capital to create powerful combined solar and storage solutions for large-scale projects. Powered by Athena™, Stem and its partners have begun to implement two large-scale projects in 2019 that directly support the Solar Massachusetts Renewable Target (SMART) Program.

LAUNCHING NEXT GENERATION INNOVATION IN CLEAN BATTERIES



An alternative to traditional lead-acid and lithium-ion batteries, **ZincFive's** nickel-zinc UPStealth batteries offer a longer operating life, a smaller environmental footprint and a wider operating temperature range. With 97 patents awarded to date, ZincFive's batteries are more energy efficient and fully recyclable at end-of-life.

Managing temperatures is also critical to safe and successful deployment. ZincFive's batteries have been rigorously tested – at the cell level – by UL and proven not to exhibit thermal runaway in any of the five challenging test types within the UL9540A test method.

These attributes help to ensure that backup power is always available for traffic signals and critical infrastructure. As a result, ZincFive's battery solutions are now deployed across transportation systems, data centers, the automotive industry and emergency responders. Currently, more than 150 transportation departments in the United States and Canada depend on ZincFive's energy solutions.

REVOLUTIONIZING INDUSTRIAL PRINTING WITH RESOURCE EFFICIENCY

Angeleno Group sees opportunities in investing in companies that identify compelling and profitable ways to enhance resource efficiency in industrial applications.

Scodix is the world's leading provider of digital enhancement solutions for the graphic arts industry. Compared to incumbent analog systems, the Scodix solution consumes 91% less energy, boasts a 75% smaller footprint and allows operators to print runs of any size on-demand – eliminating costly and wasteful excess production and toxic chemicals.

Scodix Polysense polymer solutions eliminate plates, molds, chemicals, and solvents while reducing energy consumption. In 2019, Scodix also expanded upon its competencies by launching web-to-print solutions to drive workflow automation, productivity and efficiency.

EMPOWERING HOMEOWNERS TO MAXIMIZE ENERGY EFFICIENCY

In 2019, **Renew Financial**, a leading clean energy finance company continued to expand the reach of its Property Assessed Clean Energy (PACE) and EnergyLoan™ financing programs in the United States. These programs play a critical role in enabling homeowners to upgrade their homes with energy efficiency, renewable energy and water efficiency enhancements.

PACE financing – invented by Renew Financial – has been named by Scientific American as one of the "top 20 ideas that can change the world". PACE administrators provide homeowners with 100% of the upfront capital for home improvements, and the homeowners repay these costs over time through an additional line item on their property taxes.

PACE financing has helped more than 200,000 homeowners invest more than \$5 billion in energy efficiency projects in states where PACE is available, including Renew Financial's service areas in California and Florida. Renew Financial customers have avoided over 1.3 million metric tons of greenhouse gas emissions and saved approximately two billion gallons of water. Renew Financial's financing programs have also created approximately 13,000 green jobs and new revenue streams in local communities.

To deepen its impact, Renew Financial has created new dedicated teams that will work collaboratively to meet the needs of both homeowners and its network of more than 1,000 contractor business partners.



MAKING COMMUNITIES MORE RESILIENT

Renew Financial's PACE financing also directly benefits homeowners affected by hurricanes, storms, wildfires and other extreme weather events. In 2019, Renew Financial funded and completed over \$100 million in clean energy and resilience-related projects in the State of Florida helping over 4,000 homeowners make their residential properties safer and more efficient. Successful improvement measures included hurricane-resilient roofs, impact windows and doors, and solar systems.

Renew Financial also continues to support disaster relief in Florida by providing millions of additional dollars in zero-cost working capital to help contractors respond to the needs of those affected by Hurricane Irma and other recent extreme weather events.

WATER

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According to the World Resources Institute, more than one billion people currently live in water-scarce regions, and as many as 3.5 billion people could experience water scarcity by 2025.

The confluence of increasing industrial requirements, urban population growth and the nexus between climate and water has placed increased strains on local communities. Pollution also threatens the health of freshwater and coastal aquatic ecosystems, which are critical for food production, sanitation and the survival of communities around the world.

Angeleno Group actively invests in companies with innovative solutions to protect the quality and quantity of clean water supplies in remote and urban locations around the world.

MODULAR CLEAN WATER SOLUTIONS WHERE COMMUNITIES NEED ACCESS MOST

Newterra is a leading manufacturer of advanced, modular water and wastewater treatment technology solutions to the municipal, industrial and environmental remediation sectors. Using their advanced MicroClear® UF membrane filtration technology, Newterra designs, engineers, manufactures, and services innovative modular treatment solutions to help clients in a wide range of industries and sectors operate more efficiently, sustainably and safely.

Newterra's treatment systems currently protect watersheds in some of the most remote regions of the planet, enduring the freezing temperatures of Canada's arctic, the intense heat of Zambia, and high altitude sites in Chile. Newterra's systems are built to be tough enough to endure the realities of harsh environments, and also feature smart technologies for remote monitoring and operation by Newterra's service team.

With more than 10,000 installations worldwide, Newterra's systems treat approximately 2,000 gallons of water per second.



EVOLVING AND EXPANDING TO FURTHER PROVIDE CLEAN WATER

Originally founded in 1992 as an equipment distributor in the groundwater remediation market, **Newterra** has expanded its product line and now provides a full suite of advanced clean water solutions, which include advanced water and stormwater treatment, membrane modules, groundwater remediation and fabrication for natural resources focused industries.

To support its continued evolution and ability to deepen impact for customers and communities, Newterra made two significant acquisitions in 2019.

Newterra's acquisition of StormwaterRx® will help customers comply with strict discharge requirements by offering modular solutions to keep site water discharge quality within prescribed limits. Newterra acquired TIGG®, which is a leading manufacturer of high-quality carbon and media absorption equipment and solutions. The combination with TIGG® will enable Newterra to treat water sources contaminated with polyfluoroalkyl substances (PFAS), trace metals and hydrocarbons.



Addressing PFAS in local water supplies is an important priority to protect the health of communities. The T.H. Chan School of Public Health at Harvard University has identified potential links between PFAS and numerous health conditions, including bone health deterioration, diabetes, and certain types of cancer. A recent study from the Environmental Working Group has found that drinking water containing PFAS may be more prevalent than previously known. Some of the highest PFAS levels detected were found in samples from major metropolitan areas in the United States.

SERVING AS A CRITICAL, NATIONWIDE FIRST RESPONDER IN THE UNITED STATES



Patriot Environmental Services is a premier provider of comprehensive, vertically integrated environmental services, including emergency spill response, hazardous waste management and transportation, industrial cleaning, wastewater treatment and environmental remediation.

Building upon its strong, track record in California since 2002, Patriot expanded its capabilities to provide nationwide emergency spill response in 2019.

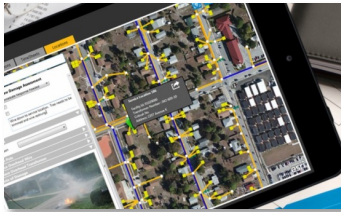
In 2019, Patriot Environmental Services also continued to expand its own wastewater treatment facility to support the growth of its wastewater and solidification services business segment.

SMART CITIES

Today, more than one-half of the world's population now lives in cities. An opportunity exists for cities to transform into dynamic hubs where leading-edge technologies can support resilient, sustainable development and manage current constraints associated with both population growth and energy-intensive infrastructure systems.

Angeleno Group invests in companies that are changing the way we convert, transport, deliver and store energy. We also provide growth capital to intelligent transportation technologies that address the growing need for more efficient transportation of people and goods. We look for innovative technologies that work to reduce fuel costs and greenhouse gas emissions, while increasing productivity and safety within cities.

THE POWER OF GEOENABLEMENT



Critigen is a leading geospatial systems technology provider, driving business performance through spatial IT solutions and services. Critigen helps clients make spatial technologies work in organizations of all sizes, integrates spatial technologies with enterprise systems, and enables field users with mobile spatial solutions.

In 2019, Critigen continued to advance its ability to help communities benefit from the power of “geoenablement”, where Critigen’s tools are integrated with enterprise data sources – including those from Critigen partners Esri and SAP – to enhance operations, analysis, and decision making. In 2019, Critigen was able to integrate its Lemur™ product with Esri, IBM and Salesforce tools to help National Grid, a leading utility in the Eastern United States, achieve “geoenablement” to manage its utility network.

Critigen is also making the concept of “geoenablement” even more powerful through mobile applications that help workers in the field increase system performance, reduce costs and protect community safety. Critigen’s mobile application capabilities also include offline access, which is critical for field technicians that are handling emergencies and/or working in areas with limited internet or cellular connectivity.

SMARTER GRIDS AND INFRASTRUCTURE PLANNING FOR CITIES

mPrest is a global provider of mission-critical monitoring, control and big data analytics software. Comprised of modular building blocks, mPrest’s unique technology gathers data from millions of sensors and subsystems, applies big data analytics utilizing its AI algorithms, and enables cross-discipline correlations in real time. mPrest is installed and operated in the defense sector with commercial applications across various industries, including utilities, smart and safe cities, critical infrastructure protection, connected cars and smart agriculture.

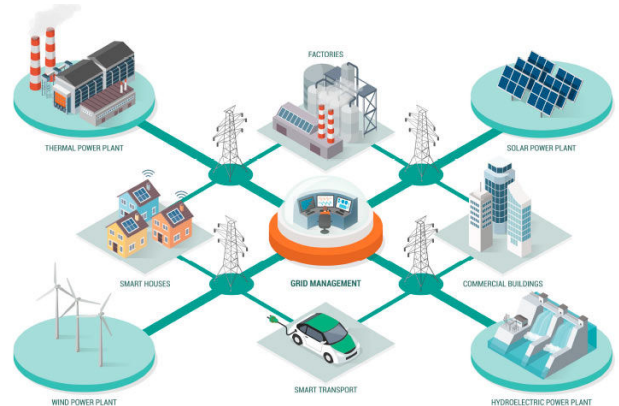
mPrest’s intelligent grid “System of Systems” applications directly address evolving energy challenges – including rapidly decentralizing networks, sharp changes in energy demand, extreme weather events and cyber security threats. In 2019, mPrest partnered with Southern Company to optimize energy distribution management and increase grid flexibility. mPrest also developed a unique AI-enhanced solution to predict impending failures and enable preventive maintenance for San Diego Gas & Electric’s underground cable systems.

BRINGING ROCKET SCIENCE INTO CLIMATE CHANGE ADAPTATION

Recognizing the real current and future threat posed by typhoons, floods, droughts, hurricanes and wildfires, government and utilities are proactively planning to develop better solutions to minimize disruption of essential services in disaster zones that are affected by catastrophic weather events.

Leveraging its rocket science technology used to develop the common-and-control software for Israel's world-renowned Iron Dome missile-defense system, **mPrest** has developed a new Major Event Management Application.

mPrest's Major Event Management Application is able to automatically forecast the extent, location and progress of damage using a network of sensors and systems that jointly gather and analyze relevant data using advanced algorithms and imagery from satellites and drones.



Based on data from hundreds of thousands of sensors, the application can pinpoint high-risk areas where resources should be concentrated in order to mitigate potential damage. The application's sensors can also do a "health check" of critical assets, such as power lines and electrical transformers, so that utilities and other public officials can make informed real-time decisions.

DRIVING THE FUTURE OF URBAN MOBILITY TO INCLUDE AI TECHNOLOGY AND SUPPORT AUTONOMOUS VEHICLES

INRIX – a world leading developer of connected car services and transportation analytics – is committed to solving the problems associated with traffic congestion, which results in billions of dollars annually in avoidable costs and contributes to poor air quality and increased global greenhouse gas emissions. In 2019, INRIX launched a powerful new AI traffic solution and supported the transition toward autonomous vehicles.

The world's first traffic solution built on artificial intelligence, INRIX AI Traffic relies on neural networks that have been trained with trillions of data points. Modeled in part based on the human brain, neural networks are designed to recognize non-obvious patterns and produce summary calculations that account for a wide array of both common and rare traffic situations. Powered by INRIX's newest geospatial engine, INRIX AI Traffic uses deep learning to provide instantaneous updates and lane-by-lane precision guidance.

In 2019, INRIX also introduced its Road Rules as a framework for cities and road authorities to build a digital representation of the traffic rules and restrictions for their roadways. This data has been made available to automated vehicle operators to inform how they operate on public roads. INRIX data also continued to play a crucial role in the success of some of the world's most popular navigation apps, smart speakers, and cloud-based services. Additionally, to support the future of urban mobility, INRIX conducted new research on the potential of electric passenger drones as a more cost-effective alternative to investments in new rail or road infrastructure.

SUSTAINABLE FORESTRY

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The world's forests are critical to climate regulation and rich in biodiversity and ecosystem services necessary to support health and prosperity. Following more than a century of post-Industrial Revolution deforestation, forests are now under significant threat. The World Wildlife Fund estimates that forest area the size of nearly 30 soccer fields is lost every minute.

Fortunately, new models are emerging. Through our investments, we have identified profitable, impactful and scalable methods to support sustainable forestry.

HIGH IMPACT INVESTMENTS IN SUSTAINABLE TIMBER



Forests are incredibly effective “carbon sinks” for the storage and capture of greenhouse gas emissions. The International Union for Conservation of Nature (IUCN) estimates that forest conservation and restoration efforts have the potential to contribute one-third of the emissions reductions needed to keep global warming under 1.5 degrees Celsius.

Major shifts in demand-supply dynamics, sustainability considerations and investment are all reshaping the forestry sector and enabling the scalability of a compelling new impact investing asset class.

New Forests is a sustainable real assets investment manager offering leading-edge strategies in forestry, land management, and conservation of resources. New Forests manages investments based on a view that future value encompasses both production and conservation. Its investment strategy is to manage forests to optimize revenues from a combination of timber harvest and carbon-offset sales.

New Forests is the world's fifth-largest forestry investment manager and is the largest forestry investor in Australia by both area and asset value. The firm offers institutional investors targeted opportunities in the Asia-Pacific region and the U.S., with more than AUD 5 billion in assets under management globally. Currently, New Forests is responsible for managing over 950,000 hectares of land, including sustainable timber plantations, undeveloped land, and conservation investments related to ecosystem restoration and protection.

EXPANDING ASSETS UNDER MANAGEMENT

In 2019, **New Forests** added Hikurangi Forest Farms in Gisborne, New Zealand to its investment portfolio. Hikurangi Forest Farms is one of the largest forestry estates in the region, and includes around 25,000 hectares of radiata pine plantation on 35,000 hectares of freehold, forest rights, and leasehold land. The farms directly employ approximately 30 staff and spend over NZD 40 million per annum in the community. As with other investments, New Forests' management plan will be guided by engagement with local businesses, tribal representatives, councils, and community groups.

A TRIPLE BOTTOM LINE APPROACH TO MANAGING FORESTS

In alignment with its focus on creating positive environmental, social and development outcomes, **New Forests** continued to execute on its Sustainable Landscape Investment framework for managed assets. As part of New Forests' Sustainable Landscape Investment framework, New Forests monitors six other environmental and social criteria – productivity, land use planning, ecosystem services provisions, shared prosperity, risk management and good governance.

New Forests is a Certified B Corporation® and a member of the World Business Council for Sustainable Development. In 2019, New Forests also continued to receive an “A+” rating in its UN Principles for Responsible Investment assessment report.



Productivity

- > Forest Description
- > Timber Production
- > Research and Development



Land Use Planning

- > Conservation Land Use
- > Social Land Use
- > Production Land Use
- > Land Use Change



Ecosystem Services

- > Biodiversity
- > Carbon and Climate
- > Water
- > Recreation and Cultural Use



Shared Prosperity

- > Community Development
- > Employment and Livelihoods
- > Industry and Supply Chain



Risk Management

- > Risk Management Systems
- > Health and Safety



Governance

- > Strategic Planning
- > Systems and Policies
- > Management and Oversight

SUPPORTING NEW ZEALAND'S BOLD SUSTAINABILITY GOAL

New Forests' three timberland conservation funds are designed to support the Government of New Zealand's bold goal to plant one billion trees by 2028. As they execute, New Forests is focused on aligning its business with the needs of local communities and the broader forest industry – working closely with local firms, industry bodies, research institutions, and government agencies to identify priorities, including community access for recreation and cultural use, that align with sustainable forestry activities.



DIVERSITY AND INCLUSION

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We believe that diversity and inclusion is a powerful accelerator to achieving financial success and enabling each of our portfolio companies to achieve their respective missions.

Angeleno Group's goal is to partner with and support our portfolio companies as they focus on increasing diversity and inclusion in all forms.

OUR DIVERSITY AND INCLUSION PLEDGE

Recognizing the need to sharpen our focus and deepen our impact, we have produced a Diversity and Inclusion Pledge for Angeleno Group. Signed by every member of our team, the pledge is intended to reinforce a coordinated commitment among Angeleno Group's partners, officers and staff to increase equity for all, including women, Blacks, Latinos, Asians, Native Americans, LGBTQ+, disabled and veteran Americans.

We pledge to continue making our workplace a trusting place to have complex and difficult conversations about diversity and inclusion; to bring awareness to unconscious biases; and to share both best and unsuccessful practices along the way. To support this pledge, Angeleno Group conducted an exercise in 2019 to raise awareness of potential unconscious biases in our job postings.

EMPOWERING GIRLS TO EXPLORE RENEWABLE ENERGY CAREERS

Since 2018, Angeleno Group has supported Step Up, an organization that propels girls living or going to school in under-resourced communities to fulfill their potential by empowering them to become confident, college-bound and career-focused.

In 2019, an Angeleno Group portfolio company in the renewable energy sector, **Kinematics**, sponsored a Step Up event for 50 Los Angeles high school juniors held at its customer NEXTracker's facility. Female engineers and scientists spoke to the girls about their experiences. Kinematics' Chief Executive Officer and Chief Marketing Officer also participated in the event.



500 WOMEN SCIENTISTS

In 2019, the non-profit organization 500 Women Scientists – which is dedicated to making science open, inclusive and accessible – came to **Critigen** with a problem. They had quickly far surpassed their original objective to reach 500 women scientists. Within two years, nearly 12,000 women had signed on to their database.

Critigen worked closely with the 500 Women Scientists' team to design, build and release a new system that can not only handle the large number of women who use the system, but also one that offers a secure and safe environment for women to communicate and collaborate around the world.

HOW WE EXECUTE

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We are guided by our Responsible and Sustainable Investing Policy, which extends to both pre-investment and post-investment considerations, and is applicable to our firm's fundamental strategies to achieve differentiated returns:

Firm Strategies	Our Approach and Application
Deal Sourcing and Selection	ESG risks and competencies are considered within our deal sourcing and selection processes.
Disciplined Portfolio Management	ESG management principles are encouraged in alignment with our commitment to disciplined portfolio management throughout the holding period of our investments.
Value Creation in Our Portfolio Companies	Value creation efforts consider the role of ESG practices within portfolio companies in creating value and accelerating sustainable growth.

FOCUSING ON EMERGING ESG TOPICS ACROSS THE VALUE CHAIN

Our Responsible and Sustainable Investing Program aims to be adaptive and responsive to emerging ESG topics. Climate risk management, customer data privacy protection and diversity and inclusion are examples of emerging ESG topics that we emphasize through portfolio company engagement.

As part of our approach to Responsible and Sustainable Investing, we also emphasize the management of value chain risks and opportunities. Supply chain risks, such as those related to non-adherence with the UN Declaration on Human Rights and International Labor Organization conventions, are emphasized. As such, we assess portfolio companies' current practices. Within the sphere of our influence, we also promote the benefits of practices, such as establishing Supplier Codes of Conduct and engaging in supplier audits.

GOVERNANCE OF RESPONSIBLE AND SUSTAINABLE INVESTING

The governance of our Responsible and Sustainable Investing Policy and Program emphasizes accountability, engagement and formal review. Angeleno Group's ESG Committee has the highest level of direct responsibility for oversight and management of our Responsible and Sustainable Investing Policy and Program. The ESG Committee is comprised of one of Angeleno Group's Managing Partners, our Chief Operating Officer and our Vice President of Finance and Sustainability. The ESG Committee is chaired by our Vice President of Finance and Sustainability.

Additionally, on an annual basis, Angeleno Group's ESG Committee formally reviews our policy, incorporating stakeholder feedback. We also created a formal issues escalation mechanism wherein portfolio companies and firm employees should escalate ESG issues that present significant risks or opportunities to our Chief Operating Officer, Vice President of Finance and Sustainability and/or Managing Partners.

OUR CULTURE

As we engage with our current and prospective portfolio companies on responsibility and sustainability, we believe that it is important that we “walk the talk” and aspire to lead by example at Angeleno Group in the areas of environmental, social and governance.

ENVIRONMENTAL STEWARDSHIP

Our culture has organically grown to be one that is environmental conscious, in alignment with the nature of our investments in alternative energy and natural resources technologies.

Our corporate headquarters are LEED® Gold certified. Our corporate headquarters were selected in part due to the building’s sustainable attributes, which include natural and LED lighting, low flow toilets, onsite recycling and 100% self-reliance for landscape irrigation. Angeleno Group has collaborated with our building’s management to optimize energy efficiency and utilize new technologies at our corporate headquarters.

We promote reuse and recycling within our offices and the use of all-electric or hybrid vehicles for commuting to work. Approximately 70% of our staff currently drive all-electric or hybrid vehicles, and electric vehicle charging stations are available on-site. Our partners and staff also carpool when possible to meetings.

CORPORATE CITIZENSHIP

We continue to support national and local organizations that align to our sector focus and support the communities where our firm and portfolio companies operate:

2019 Focus Areas	Organizations Supported by Angeleno Group
Animal Welfare	<ul style="list-style-type: none"> ▪ EQUUS Foundation
Climate and Ecosystem Protection	<ul style="list-style-type: none"> ▪ The Nature Conservancy ▪ UCLA Institute of the Environment and Sustainability ▪ World Resources Institute
Leadership Development	<ul style="list-style-type: none"> ▪ Coro Southern California ▪ Komera ▪ Los Angeles Cleantech Incubator ▪ National Outdoor Leadership School
Public Health and Community Support	<ul style="list-style-type: none"> ▪ American Cancer Society ▪ American Red Cross ▪ California Community Foundation ▪ Epilepsy Foundation ▪ GRID Alternatives ▪ Racing for Cancer ▪ United Way
Research, Education and Policy	<ul style="list-style-type: none"> ▪ Nuclear Threat Initiative ▪ U.C. Berkeley Foundation ▪ United States Holocaust Memorial Museum

EMPLOYEE VOLUNTEERISM

Our employees actively volunteer in local communities. Over the past two years, our partners and staff have volunteered to help those in need at the Los Angeles Regional Food Bank; clean the coastline with Heal the Bay; mentor girls to help them fulfill their potential with Step Up; bring inspiration and enrichment to children through Reading to Kids; and improve lives and build community through Big Sunday.



Angeleno Group staff at 2019 Los Angeles Regional Food Bank event, where the team helped to deliver over 5,500 meals to support local families and children in our community.

ESG-FOCUSED INVESTMENT SELECTIONS IN COMPANY RETIREMENT PLANS

Angeleno Group has incorporated ESG-focused investment selections into its retirement plan choices for participants. The objective of this new option is to further institutionalize our commitment to ESG, and identify opportunities to deepen our impact across all relevant investment activities.

ETHICS AND GOVERNANCE

To strengthen our longstanding commitment to strong ethics and governance, Angeleno Group has enacted an Investment Management Ethics Pledge for all partners, officers and staff. Angeleno Group's Ethics Pledge clearly outlines our obligations with regard to managing potential conflicts of interests, ensuring respect in the workplace and maintaining compliance with all laws.

We also recognize the power that our industry has to drive both private value creation and sustainable, positive societal transformation. As such, Angeleno Group's Ethics Pledge is designed to both reflect and further promote our firm's cultural strengths and ability to serve all stakeholders.

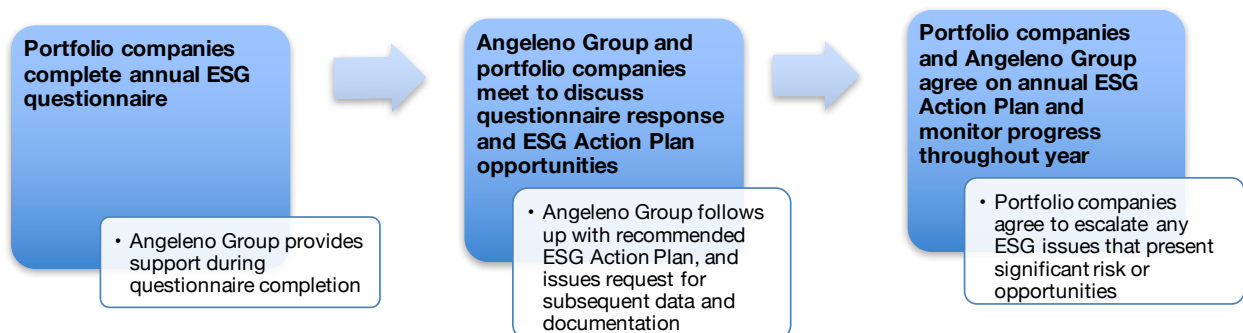
STAKEHOLDER ENGAGEMENT

Stakeholder engagement is central to Angeleno Group's Responsible and Sustainable Investing Program. We aim to create shared value through active and thoughtful engagement with portfolio companies, investors, employees, business community peers and universities.

PORTFOLIO COMPANY ENGAGEMENT

Pursuant to our Responsible and Sustainable Investing Policy, we engaged in an annual post-investment ESG engagement cycle with the portfolio companies that met the revenue, EBITDA and/or employee count guidelines of our policy. Because all portfolio companies complete a pre-investment ESG questionnaire prior to investment, post-investment engagement on ESG issues is informed by our pre-investment engagement activities.

In 2019, we completed our ninth year of post-investment portfolio company engagement on ESG issues. Over the past nine years, we have developed an effective process, which begins with the distribution of a tailored ESG questionnaire and culminates with the development of an ESG Action Plan:



In our first year of engagement with a portfolio company, we aim to (1) assess what ESG programs, policies and management systems are currently in place; (2) discuss the greatest ESG risks, opportunities and business drivers; and (3) provide the foundation for subsequent ESG engagement cycles. In the following years of engagement, we identify and refine key performance indicators with associated targets. These key performance indicators and targets are included in our portfolio companies' annual ESG Action Plans.

Integrating the Task Force for Climate-Related Financial Disclosures

Established by the Financial Stability Board, the Task Force on Climate-Related Financial Disclosures (TCFD) is a market-driven initiative that has developed a set of recommendations for voluntary and consistent climate-related financial risk disclosures.

In 2019, Angeleno Group integrated the TCFD framework into its portfolio engagement process. In our post-investment ESG questionnaire, portfolio companies evaluated their degree of potential exposure to TCFD risks and opportunity categories over short-term, medium-term and long-term horizons. We then reviewed their TCFD assessments and provided feedback.

Across our portfolio companies, our common theme was the prevalence of unique, compelling opportunities to support both climate change mitigation and adaptation.

INVESTOR ENGAGEMENT

Each year, we receive valued feedback from our investors and portfolio companies, which we review to help us evolve our ESG program and inform each year's upcoming engagement cycle. As a result of past investor engagement, we have identified and executed on the opportunity to develop formal ESG Action Plans with specific goals and targets to stimulate both short-term and long-term improvements.

INDUSTRY ENGAGEMENT

Angeleno Group's investment professionals, Board of Advisors and portfolio companies actively engage with industry to promote responsible investment, provide thought leadership and contribute to the development and deployment of solutions to critical sustainability and global environmental challenges.

Sustainability Accounting Standards Board (SASB)

Our Chief Operating Officer Bill Miller has served on the SASB's Industry Working Group for the Renewable Resources & Alternative Energy sector, providing guidance to assist public corporations to develop sustainability disclosure information for investors. In 2019, our Vice President of Finance and Sustainability Michelle Kincanon participated in the fourth annual SASB Symposium where investors, companies and NGOs convened to advance the dialogue on ESG metrics and reporting.

World Resources Institute (WRI)

Angeleno Group Managing Partner Daniel Weiss serves on the Board of Directors of the WRI, a leading organization that is focused on solving global challenges related to critical topics including climate, energy, food, forests, water and transport. Mr. Weiss is the co-chair of WRI's Global Leadership Council, a select group of leaders committed to helping WRI achieve its mission of moving human society to live in ways that protect Earth's environment and its capacity to provide for the needs and aspirations of current and future generations.

In 2019, Angeleno Group also hosted at its Los Angeles office WRI's annual Stories to Watch event where WRI's President and CEO shared insights and explored global themes and emerging issues to support climate change solutions.

Additional Engagement to Support Responsible Investing

Our Chief Operating Officer Bill Miller serves on the Southern California Private Equity/Venture Capital regional board of the Financial Executives Alliance. In 2019, he moderated a panel on ESG alongside representatives from International Shareholder Services (ISS). Mr. Miller also was a featured panelist at the GAIM Ops West alternative investment conference to provide insights on how limited partners evaluating ESG products can analyze portfolios, implementation and due diligence questionnaires for ESG integration.

Angeleno Group is also a longtime supporter of the Los Angeles Cleantech Incubator, which is focused on advancing zero emissions transportation; 100% clean energy; and smart, sustainable cities. In 2019, Angeleno Group Senior Analyst Jeanne Li participated in Los Angeles Cleantech Incubator's Power Day, where industry leaders discussed technological innovations and policy solutions. Principal Anil Tammineedi also participated in the Mobility Challenge, which is a global start-up competition that is accompanied by a conference on the future of urban mobility.

ACADEMIC ENGAGEMENT

We believe that academic institutions provide fertile ground for innovation and the productive exchange of ideas. Angeleno Group aims to help create shared value – focusing on advancing responsible investment in the city of Los Angeles where we are headquartered.

UCLA Institute of the Environment and Sustainability

Angeleno Group actively supports the UCLA Institute of the Environment and Sustainability (IoES), whose mission is to move science to action on the front lines of environmental progress and is recognized for having pioneered a unique, hands-on approach to environmental research and practice.

Angeleno Group Managing Partner Daniel Weiss currently serves as co-chair on UCLA IoES's Board of Advisors. Angeleno Group's partners and staff also continue to actively participate in UCLA IoES events, which bring together students, technical experts and leaders to explore the business community's role in advancing environmental solutions.

Additional Engagement with UCLA

We also support and participate at events across the UCLA campus. In 2019, Angeleno Group hosted 15 UCLA Anderson School of Management MBA students in the entrepreneurship program. At the event, Angeleno Group Managing Partner Yaniv Tepper shared his perspectives on critical success factors for emerging entrepreneurs.

In 2019, Angeleno Group Principal Danny Jaffe served as a guest lecturer for UCLA Extension's "Strategic Social Impact" course. The "Strategic Social Impact" course is designed to empower students with tools to get started as a change maker. Students learn how to develop concrete plans for launching a venture designed to achieve a social goal, which includes thinking through challenges; developing potential solutions; and identifying ways to measure and grow its impact.

In 2019, Angeleno Group Principal Anil Tammineedi was a faculty advisor to UCLA Anderson School of Management Executive MBA students over a six-month period on their final leadership project. As part of this leadership project, students were tasked with solving real world business challenges. Additionally, Mr. Tammineedi served as a guest lecturer for a UCLA Anderson School of Management course on technology entrepreneurship, and participated in the annual Fink Private Equity Roundtable.

USC's Lloyd Greif Center for Entrepreneurial Studies

In 2019, Angeleno Group was featured as a case study for the "Investing in Impact Ventures" course within the Lloyd Greif Center for Entrepreneurial Studies at the USC Marshall School of Business. The "Investing in Impact Ventures" course examines the many meanings of "impact", the methods of measuring that impact and the interplay between investment and impact.

Angeleno Group Managing Partner Yaniv Tepper joined the students during a class to walk through the case study on our firm, educate students on the role of private equity firms, and explain how investors, such as Angeleno Group, are especially focused on impact investing.

INTEGRATION OF ESG INTO PORTFOLIO MANAGEMENT

Our approach to Responsible and Sustainable Investing (RSI) supports and aligns with our values and our commitment to value creation and disciplined portfolio management. Our application of ESG considerations is intended to complement, without replacing, our firm's principles and associated investment strategies.

PRE-INVESTMENT DUE DILIGENCE

As part of our Responsible and Sustainable Investing Policy, Angeleno Group will analyze ESG risks, competencies and other considerations as part of our due diligence prior to making an investment for applicable portfolio companies. As appropriate, we will also engage in dialogue with management on ESG considerations prior to making an investment.

We are stage-agnostic, and actively select companies that are innovative, well managed and positioned for high-growth. As such, some of our portfolio companies are early stage investments (e.g., fewer than 100 employees and/or not yet cash flow positive).

Stages	Approach
Early Stage Investments	Given the more limited nature of their financial and human resource capabilities, we will consider the ability of their management teams to responsibly and successfully execute their strategy and the ability of their products, technologies and/or services to provide environmental benefits that serve marketplace needs.
Later Stage Investments	We will consider a broader range of ESG issues.

To support our due diligence processes, we utilize a pre-investment questionnaire for prospective investments that highlights a set of prioritized ESG risks and opportunities.

POST-INVESTMENT SUPPORT AND COLLABORATION

In alignment with our firm's principles and its Responsible and Sustainable Investing Policy, we collaborate with and support our portfolio companies as they grow to encourage strong ESG management practices that are value-accretive.

To support portfolio companies, we also make available information on applicable ESG standards and best practices. We also provide access to subject matter experts within our firm and network.

Our engagement with portfolio companies occurs on an ongoing basis and culminates each year with our annual engagement and reporting process. We select portfolio companies for ESG engagement based on specific revenue, EBITDA and/or employee count milestones.

For portfolio companies that meet the specified milestones at the time of investment, we begin engagement during the annual cycle that follows the one-year anniversary of the date of initial investment.

A TARGETED, ADAPTIVE APPROACH

Angeleno Group recognizes that each portfolio company will have a unique set of ESG risks and opportunities depending on its:

Stage	Sub-sector
Business model	Stakeholders and geographies served
Supply chain	Product and services life cycle
Revenue and employee count	Applicable regulations and other factors

As such, we consider these differences when assessing and managing environmental, social and governance issues within our portfolio. However, as our portfolio companies grow in revenue and employee count, we typically find that a common set of ESG issues are of high materiality across our portfolio.

APPLYING A MATERIALITY-BASED LENS

As part of Angeleno Group's formal review of its Responsible and Sustainable Investing Policy, we engage in a materiality assessment to inform the approach for the upcoming engagement cycle. We use the Global Reporting Initiative's framework to inform our materiality assessment, evaluating aspects across the economic, environmental and social topics covered in the GRI Standards.

The findings from Angeleno Group's materiality assessment and past nine ESG engagement cycles have enabled us to reaffirm and refine our prioritization of the following ESG topics:

Environmental	Social	Governance
<ul style="list-style-type: none"> Maximizing Environmental Benefits of Products and Services Operational Efficiency Compliance and Responsible Practices 	<ul style="list-style-type: none"> Human Capital Development Diversity & Inclusion Health, Safety & Wellness Positive Community Impacts Supply Chain Responsibility Compliance and Responsible Practices 	<ul style="list-style-type: none"> Sustaining Growth Corporate Culture and Reputation Risk and Crisis Management Board Integrity Ethical Behavior Compliance and Responsible Practices

SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals also serve as an important guidepost for engagement on ESG issues. We have identified six focus areas where our portfolio companies have the opportunity to make meaningful contributions. The six focus areas are energy, water, infrastructure, climate change resiliency, job creation and gender equity.

Through ESG engagement with portfolio companies, we collaborate to prioritize and illuminate the specific UN Sustainable Development Goals where each portfolio company is uniquely positioned to drive progress as they work to achieve their core business objectives.

DEVELOPING ESG ACTION PLANS

Building upon the discussions and information received during our ninth engagement cycle, we continued to work with our portfolio companies to develop annual ESG Action Plans — providing a structured framework for which we can measure progress on our portfolio companies' management of material ESG topics each year.

Our ESG Action Plans are designed to achieve the following outcomes:

Enable portfolio companies to receive our feedback from each annual engagement cycle	Set forth a manageable set of specified actions, with annual performance targets for key performance indicators across material ESG topics
Identify both short-term and long-term opportunities	Monitor the effectiveness of management systems and policies
Support continuous economic, social and environmental improvements as the portfolio companies grow	Provoke thought on ways that portfolio companies can be more ambitious, effective and innovative
Create accountability, monitor progress and measure engagement outcomes	

Our ESG Action Plans are focused on stimulating environmental and social improvements, with additional economic and governance benefits. As such, our recommended actions are designed to strengthen the organization and support current growth and scalability objectives. In alignment with our disciplined portfolio management approach, Angeleno Group's goal is to serve as a partner and to provide support and advice as our portfolio companies execute on their annual ESG Action Plans.

ESTABLISHING COMMON ESG METRICS ACROSS COMPANIES

As our Responsible and Sustainable Investing Program evolves, we are increasingly finding that a set of common ESG metrics emerge across companies.

Categories	Examples of Common ESG Metrics
Environmental	<ul style="list-style-type: none"> Product benefit KPIs, such as avoided carbon emissions for customers and communities
Social	<ul style="list-style-type: none"> Voluntary employee turnover rate Percentage of employees receiving performance reviews Number of and/or impact metrics from community service events and charities supported Money saved for customers Jobs created
Governance	<ul style="list-style-type: none"> Number of instances of non-compliance with applicable laws and regulations Amount of any fines for non-compliance with applicable laws and regulations

CONTINUED EVOLUTION

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We view our approach to responsible and sustainable investing as ongoing and evolutionary, and consistent with our primary goal to provide accretive returns to our investors from both prospective and current investments.

LEADERSHIP AND STRATEGIC INVESTMENTS

Angeleno Group maintains a dynamic pipeline of investment opportunities, sourced through our own bottom-up research, as well as our proprietary network of senior advisors and investors. Our focus in 2020 and onwards is to continue to drive value and create exits for our current investments.

We plan to continue to provide our investors and portfolio company management teams with deep sector expertise with our team of experienced investment professionals and our active, world-class Board of Advisors. Our advisory group is comprised of industry leaders, technology experts and regulatory officials, which include former senior leaders of the U.S. Congress and Executive Branch agencies. Additionally, we will continue to cultivate our extensive network of strategic limited partners which includes more than 25 former CEOs and board members from leading global energy and engineering companies including AECOM, AEP, Chevron, Edison, Exelon, Sempra and Shell.

VALUE CREATION, RISK MANAGEMENT AND ENGAGEMENT

As our Responsible and Sustainable Investing Program evolves, Angeleno Group remains focused on making continued improvements and achieving demonstrative outcomes to enhance existing value creation and risk management mechanisms within our portfolio.

We acknowledge that portfolio companies' approaches to ESG will need to be structurally, developmentally, and financially appropriate; particularly for early stage investments. Angeleno Group is typically a minority participant in our portfolio companies, and our degree of influence that comes from serving on the boards of portfolio companies varies accordingly. Within our capacity as a minority participant, we will continue to engage with management and other co-investors on the board to proactively address ESG risks and opportunities.

In 2020, we plan to continue the collaboration with the portfolio companies that participated in our ninth engagement cycle – monitoring their progress and providing support as they execute on their ESG Action Plans.

EXPANDING OUR REACH AND SUPPORTING OUR INVESTMENT STRATEGIES

We aim to continue to engage our portfolio companies and employees through our Responsible and Sustainable Investing Program, Diversity and Inclusion Pledge and related activities. Additionally, we plan to further align our ESG activities to proactively respond to changing market conditions, and support our three fundamental strategies for differentiated returns: (1) superior deal sourcing and selection, (2) disciplined portfolio management and (3) value creation in our portfolio companies.

We look forward to working collaboratively with our portfolio companies and investors to achieve greater prosperity for those we collectively serve.

INVITATION TO DIALOGUE

We believe that collaboration, active dialogue and engagement are important components of our approach to responsible and sustainable investing.

Angeleno Group encourages comments, feedback and questions on this Report, our Responsible and Sustainable Investing Program and environmental, social and governance topics related to our firm and its portfolio companies.

