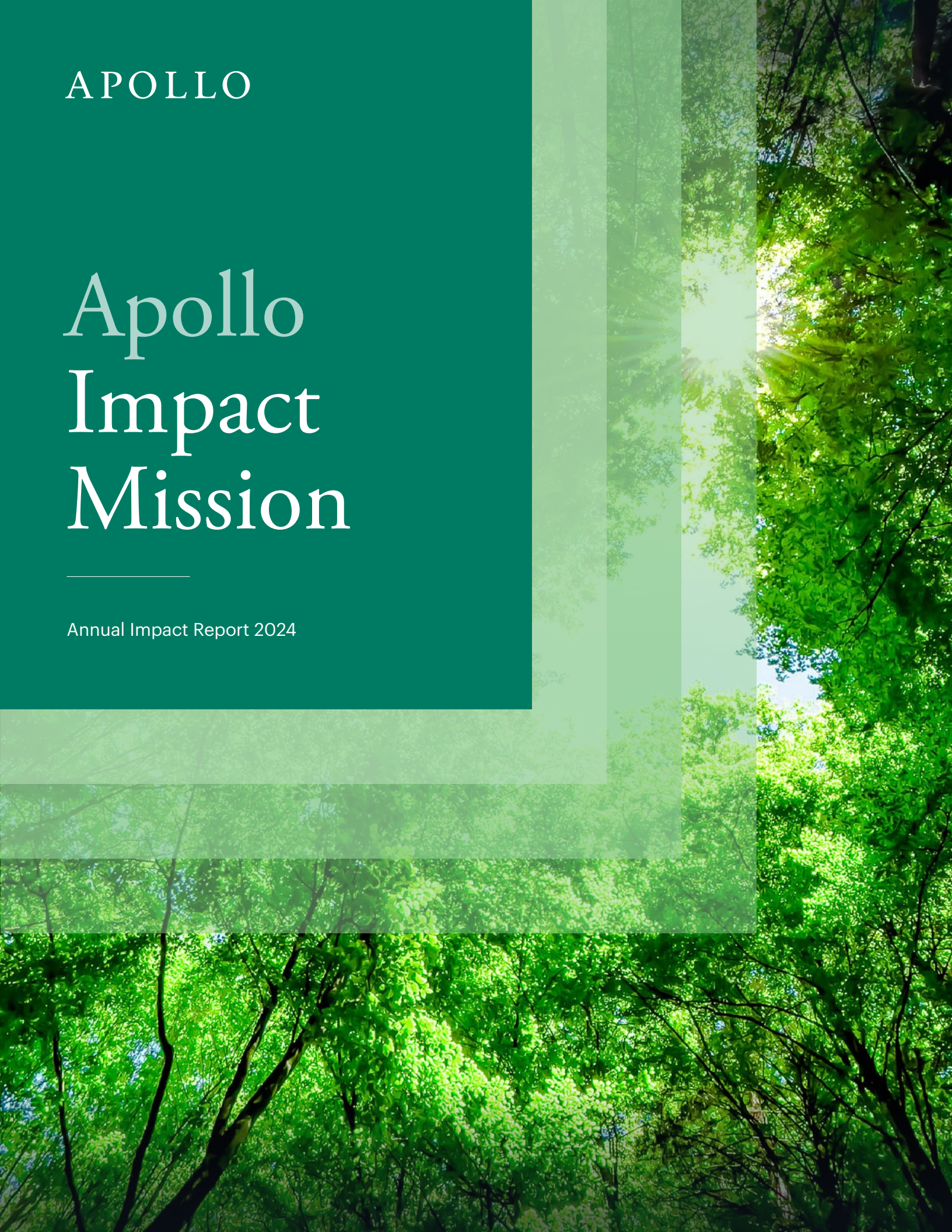


APOLLO

Apollo Impact Mission

Annual Impact Report 2024



Remembering Lisa Hall

Lisa Hall created so much of what this document describes — the vision and execution of impact investing. She was a founding leader on the Apollo Impact team, but her contributions began decades earlier as a visionary in marrying profit with purpose to create a better world. While her recent passing leaves a void in our hearts and in the world of impact investing, her legacy will continue to inspire and guide us.

Lisa’s life’s work was driven by a core belief that businesses and investments could be harnessed to address global challenges. She dedicated more than 30 years to doing so directly and through the work of the many people she mentored and inspired. She led critical field building and investing efforts during her time at Anthos Asset Management and Calvert Impact Capital, and taught the next generation as a Professor and Fellow at Georgetown University’s Beeck Center for Social Impact and Innovation. Lisa joined Apollo as the inaugural Impact Chair of the AIM strategy — a role she envisioned and brought to life. Under her leadership, AIM developed a rigorous impact management and reporting framework, stood up the Impact Advisory Committee, and invested in companies that have demonstrable impact. In addition to her pioneering work in impact investing, Lisa generously gave her time and expertise as a board member of several mission-driven nonprofit organizations, including Community Development Trust and Habitat for Humanity.

Throughout her career, Lisa was a driving force for good and a leader who made change happen. She fostered a culture of partnership, bringing together stakeholders from across sectors to work towards common goals. Her ability to build meaningful relationships was a testament to her deep humanity and exceptional leadership. Lisa was a mentor and role model to countless individuals, always willing to share her knowledge and experience. Her guidance helped shape the careers of so many she touched, instilling in them the values of integrity, empathy, and resilience.

To know Lisa was to appreciate her strength, compassion, and unwavering belief in the power of community. She was the most amazing of mothers to her beloved daughter Leah, and the dearest of friends to a community that stands strong today because of the light she radiated upon it.

Lisa’s vision and leadership have left an indelible mark on the field of impact investing, and on the lives of those fortunate enough to have known her. It is our honor to carry forward her mission with the same passion and commitment.

Her impact will never be forgotten.

Patience Marime-Ball

To say there has been an enormous amount of change in the five years since we launched the Apollo Impact Mission would be an understatement. We write this amidst a fundamental realignment of the financial system and in a wave of political and regulatory shifts that have and will continue to reshape the global investment landscape. This dynamic situation has required us to be nimble, and to be both principled and pragmatic to stay true to our mission. We cannot control the macro any more than we can control the weather, but we can be — and are — prepared for any storm.

Our strategy was designed to be all-weather: able to endure and drive results in any mix of economic, political, and cultural conditions. It is a credit to two of AIM’s co-founders, Lisa Hall and Marc Becker. Lisa, who had ridden the waves of impact investing throughout her long career, wisely advised us that the tides could change. It is also a testament to Marc, a veteran of so many market cycles and an upbeat skeptic who could smell a bubble forming and was always focused on avoiding downside risk. They were both right.

Their wisdom is built into the portfolio. The team has passed on countless investment opportunities that only stood to prosper under perfectly blue skies. We have seen so many companies whose success was reliant upon uncontrollable factors, such as outsized subsidies, hoped-for changes in consumer behavior or desired regulatory shifts. They were not for us — we always prepare for some rain. Instead, the portfolio consists of companies with established business models that have endured through cycles, generate cash, and where their impact is intrinsic to their historical and future success. While it sounds simple, staying true to this approach has yielded a portfolio that has withstood quite a few squalls.

Storms on the horizon can also create opportunity, such as our most recent investment in The State Group.¹ The company’s work to build out electric vehicle factories drove outsized growth in recent years, but the outlook had grown uncertain. Unlike those “blue sky” businesses we have avoided, in The State Group, our diligence uncovered a core business of long duration, stability, and consistent growth that was obscured by the electric vehicle story. The remaining operation worked across a diversified set of end markets as a key enabler of industrial efficiency, an exciting theme for our strategy. In a time when clouds were gathering and others were fearful, we dug in and created what we expect to be a highly impactful and profitable investment, regardless of what type of cars are driven in the future.

It is with great pride that we share with you this report, which details the impact achieved across the portfolio. The mission is well advanced but far from over; we have our rainboots on and are hard at work to deliver on AIM’s objectives, both impact and financial.

Joanna Reiss and Steve Martinez

1. The investment example has been provided to illustrate the most recent investment in the platform and for discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

The Apollo Impact Mission Platform

The Apollo Impact Mission Platform (“AIM” or “the platform”) seeks to achieve meaningful impact at scale, by pursuing private equity-like opportunities with the intention of generating positive, measurable environmental and/or social impact, and attractive risk-adjusted returns.

We adhere to a rigorous impact investment philosophy that targets investments centered around two critical objectives — helping people and healing the planet.

Apollo is driving an evolution in the impact investing landscape by applying the strategy to the middle market and investing in later-stage, mature companies. We employ the “classic Apollo” value-oriented lens and harness the full power of the Firm to drive both financial performance and demonstrable impact at AIM portfolio companies.

The Impact Mission

Achieve lasting and quantifiable social and environmental impact at scale, along with strong financial returns

The Portfolio¹



Enabling recycling



Increasing accessibility to fresh, affordable, and culturally relevant food



Manufacturing sustainable packaging



Keeping roads safe



Electrifying industry



Providing quality healthcare



Building and maintaining affordable housing and critical infrastructure

Operating across 23 countries

19K+
employees²

4.5M+
hours of patient care delivered³

68K+
social housing units repaired or upgraded⁴

1.1M+
tons of paper recycled⁵

Companies aligned with 9 UN SDGs



No Poverty



Reduced Inequalities



Zero Hunger



Sustainable Cities and Communities



Good Health and Well-Being



Responsible Consumption and Production



Decent Work and Economic Growth



Climate Action



Industry, Innovation and Infrastructure

1. These investment examples have been provided for illustrative and discussion purposes only to illustrate all investments in AIM. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

2. Data as of December 2024.

3. Supplemental Health Care, FY 2024.

4. United Living, FY 2024.

5. Reno De Medici, FY 2024.

Apollo Impact Philosophy

We believe that private enterprise can — and should — be a powerful force for driving social and environmental change.

The platform invests in mature companies that exhibit *collinearity*, meaning that their impact is intrinsic to their business models, and thus profit and purpose are mutually reinforcing and intertwined. For these businesses, impact is not a concession but rather a driver of financial performance. Working together, investors and management teams can accelerate collinear performance through thoughtful ownership plans and aligned incentives.

Potential investments must also demonstrate additionality and be made with intentionality. *Additionality* refers to whether targeted positive impacts would have occurred “but for” the investee company’s existence (i.e., company additionality) or the platform’s investment (i.e., investor additionality). *Intentionality* is the impact-oriented mindset of the investor, committed to driving social and environmental benefits.

Differentiating Between Impact and Environmental, Social, and Governance Factors

Impact and environmental, social, and governance factors are separate but related, with different meanings and applications.

The latter refers to factors that are deemed to be material to financial performance and can be used by investors and other stakeholders to evaluate a company. Successful integration of such factors entails analyzing a company’s operations and identifying best practices across these areas to enhance financial value and increase the sustainability and responsibility of operations. We believe that environmental, social, and governance factors can be relevant to every business model and investment strategy.

Impact investing is an investment strategy targeting companies that generate positive and measurable social or environmental impact through their products and services, made with the explicit intention to drive that impact along with a financial return. Impact investing is a specific strategy that cannot necessarily be extended to all industries.

Helping People and Healing the Planet

Apollo Impact Objectives

AIM employs a rigorous impact investment framework, targeting investments in developed markets to achieve two broad objectives — helping people and healing the planet. AIM developed five investment themes to describe social and environmental impacts in alignment with several of the United Nations Sustainable Development Goals (“UN SDGs”), aimed at addressing global challenges across a broad range of areas, including poverty, health, education, and climate change.

Investment Themes

Economic Opportunity

Improve quality of life by expanding economic opportunity for underserved populations

Education

Provide tools to improve livelihoods through education and job preparedness

Health, Safety & Wellness

Improve the quality of life for people through products and services that support their health and safety

Industry 4.0

Harness innovation to transform industries, businesses, and communities to be safer and cleaner as well as more equitable, sustainable, and efficient

Climate & Sustainability

Drive towards a more sustainable future by addressing climate-related challenges, enabling the circular economy, improving the sustainability of natural resources and ecosystems, and facilitating clean energy usage

UN Sustainable Development Goals

 **No Poverty**

 **Gender Equality**

 **Decent Work and Economic Growth**

 **Reduced Inequalities**

 **No Poverty**

 **Quality Education**

 **Gender Equality**

 **Decent Work and Economic Growth**

 **Reduced Inequalities**

 **Zero Hunger**

 **Good Health and Well-Being**

 **Reduced Inequalities**

 **Sustainable Cities and Communities**

 **Clean Water and Sanitation**

 **Affordable and Clean Energy**

 **Industry, Innovation and Infrastructure**

 **Reduced Inequalities**

 **Sustainable Cities and Communities**

 **Responsible Consumption and Production**

 **Climate Action**

 **Clean Water and Sanitation**

 **Affordable and Clean Energy**

 **Industry, Innovation and Infrastructure**

 **Sustainable Cities and Communities**

 **Responsible Consumption and Production**

 **Climate Action**

 **Life Below Water**

 **Life on Land**

Underwriting Impact

AIM's investment process integrates impact considerations alongside rigorous financial analysis in decision making.

1

Step 1: Initial Screening Process

AIM has established strict criteria to evaluate an investment's suitability, leveraging threshold questions derived from the Impact Management Project's ("IMP") Five Dimensions framework, to efficiently screen potential opportunities and ascertain which prospective investments merit additional due diligence. The IMP framework helps the team assess a potential investment's ability to be socially and/or environmentally impactful and to determine UN SDG and theme alignment.

2

Step 2: Impact Diligence

For opportunities that meet the requirements of AIM's initial screening process, the investment team employs a rigorous impact underwriting framework as well as Apollo's established private equity due diligence process. The impact underwriting encompasses an extensive review of both the company and its stakeholders, drawing on the target company's data as well as third-party research to develop a holistic view of the theory of change, substantiated by data. The team leverages third-party impact consultants, the AIM Impact Advisory Committee, and industry experts, seeking out alternative viewpoints to identify both impact pathways and risks.

Throughout the process, the team evaluates the linkage between a company's outputs to a quantifiable impactful outcome, while identifying any material risks, relevant mitigants, and potential areas for value creation. The findings of the impact diligence process are presented and evaluated in tandem with all other diligence at the Investment Committee meeting.

3

Step 3: Impact Value Creation, Measurement, and Monitoring

AIM partners with management teams to identify and execute value creation plans for each business. Given the centrality of impact to each company's business model, these efforts frequently target strengthening the impact characteristics of the business to drive commercial and financial outcomes.

To create alignment, it is imperative to define objectives up front and quantify performance targets transparently. For each investment, the team determines an Impact Mission, which encapsulates the impact we believe a company can achieve. Progress is quantified throughout the life of the investment through company-specific Impact KPIs and the B Impact Assessment ("BIA"). After closing, AIM and the company's management team select KPIs, complete the BIA, and establish go-forward targets for each to formalize objectives.¹ We provide Limited Partners with a summary of the selected metrics and periodic updates with respect to their performance, providing transparency throughout the investment lifecycle.

1. There can be no guarantee that any portfolio company can achieve any target. Please refer to the Legal Disclaimer for additional information.

Quantifying and Amplifying Impact

Throughout the duration of each investment, AIM provides tools and support to measure and amplify impact at each company in the portfolio.

Impact Advisory Committee

AIM established an Impact Advisory Committee to work with the platform's investment team to maximize the impact, and thus financial, performance of its portfolio companies. We leverage the Committee's expertise to challenge our approach, offer alternative perspectives, identify additional impact pathways and surface investment opportunities. The Impact Advisory Committee, chaired by Patience Marime-Ball, is composed of highly regarded experts in their respective fields who have a breadth of experience and knowledge spanning our impact themes.

B Impact Assessment

Shortly after acquisition, each portfolio company takes the BIA, a detailed assessment developed by B Lab. The BIA, which has been used by over 150,000 businesses to date, measures a company's impact on its customers, environment, workers, and community. We seek to improve each portfolio company's BIA score from acquisition to exit and require companies to retake the assessment on an annual basis. It has proven to be a powerful tool to not only evaluate a company's performance in these areas, but also provide specific and actionable areas to improve.

Impact KPIs

Post-closing of each investment, AIM works with management to select 3–5 company-specific impact KPIs tied to the company's Impact Mission. The KPIs typically align with the Impact Management Project's "How Much" dimension via reach (quantity) and depth (quality), and drive financial performance due to the underlying collinear business models of portfolio companies. Impact KPIs challenge AIM and portfolio companies to identify levers of both impact and financial performance, while establishing quantifiable goals to track outcomes. Impact KPIs are not simply a measure of operational performance; we strive to use them to strengthen impact outcomes. As such, they have become a shared source of purpose and drive for our collective work with portfolio company management teams.

Impact-Aligned Incentive Structures

AIM ties a portion of the carried interest and of management's equity compensation to performance on impact objectives, a practice that was quite rare in private equity before the establishment of Apollo's impact platform, but has since drawn more proponents. At each company, the KPI performance and BIA score at exit is compared against the targeted levels set out at investment to determine how much of the impact-aligned incentives are earned. We view this alignment as a central element to achieving our objectives.

Operating Principles for Impact Management

Apollo is a signatory to the Operating Principles for Impact Management (the "Principles"), a global standard for impact investing that outlines best practices for impact strategies. In 2023, we published our third annual disclosure statement, which summarizes how our impact management processes align with the Principles.

In addition, pursuant to Principle 9, we engaged BlueMark in 2022 to independently verify and evaluate our approach. BlueMark is a leading independent provider of impact verification services in the impact investing market. Of the eight assessed Principles, AIM's processes for seven were rated as having either "Advanced" or "High" alignment to the Principles by BlueMark. The verification process offers an opportunity for reflection and learning as we strive to further develop our practices.

51M+

tons of recycled waste
baled with Accent Wire
globally in 2024¹

Accent

Initial Investment

August 4, 2023

Overview

Accent is a leading distributor and manufacturer of baling wire, other packaging consumables, and strapping equipment. These products are mission-critical to the recycling industry, which utilizes baling wire tied by wire-tiers to efficiently and safely transport material. The company sells a comprehensive portfolio of products to over 5,000 customers across a wide range of industries including waste management and recycling, paper and pulp, and retail, in North America and the United Kingdom. In addition, Accent operates Accent Building Materials, a regional, two-step distributor of fasteners and other building materials in the Sun Belt region of the United States.

AIM Theme

Climate & Sustainability

UN SDG Alignment



Sustainable Cities and Communities



Responsible Consumption and Production

Impact Mission

Accent plays a key role in the recycling process by providing the essential baling wires, packaging consumables, and strapping equipment used to efficiently transport and process recyclable material. Recycling offers meaningful environmental benefits, including decreasing emissions, diverting materials from landfills, and helping preserve natural resources.

¹ Estimated value as of December 2024.

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.



AIM Portfolio Company

Accent

Why It Matters

Recycling is vital to the preservation of natural resources, with benefits derived from several pathways. Utilizing recycled materials to make new products typically requires less energy and associated emissions than virgin materials; recycled inputs enable energy savings of 40% for newspaper, 60% for steel, and 70% for plastic.² As such, recycling is critical for the decarbonization of hard-to-abate sectors, as circularity is one of the most technologically and economically viable solutions available today. By diverting waste from landfills and incinerators, recycling also minimizes potentially harmful pollution and emissions. According to the most recent EPA data, the recycling and composting of municipal waste in the US saves over 190 million metric tons of carbon dioxide equivalent (“CO₂e”) per year, comparable to taking almost 42 million cars off the road.³ Beyond emissions, recycling can reduce the pollution and habitat destruction associated with raw material extraction.

While the benefits of recycling are considerable, recycling rates are materially below the targets set by various governments. The US targets an increase in the national recycling rate from 32%⁴ to 50% by 2030, while the European Union has set a target of recycling a minimum of 65% of municipal waste by 2035, up from 49%.⁵ While the volumes of waste produced in both regions have increased meaningfully over the past 10 years, recycling rates have lagged due to factors that include outdated infrastructure and a lack of market demand for recycled materials. To achieve these targets and remain an economical solution, existing recycling processes must be optimized to operate at scale.

Accent baling wire, packaging consumables, and strapping machines play a critical role in advancing recycling by compressing material and holding it securely in bales through transit and storage. Baling increases volume per shipment — seven to eight times for plastic and two to three times for paper — thereby allowing recycling facilities to transport materials more cost effectively. Lower transportation costs increases the economic benefit for recycling facility operators to maximize their throughput. Additionally, reliable baling wire is pivotal to maintaining the flow of recyclable materials through the waste stream as product failure can cause facility downtime and safety risks. Given Accent produces multiple types of baling products for various end markets and facilities, it can support the growing recycling management landscape, thereby driving further environmental benefits. The emissions benefit attributable to Accent’s operation in 2024 was an estimated 2.4 million metric tons of CO₂e annually, the equivalent of taking roughly 600,000 cars off the road or providing electricity for 500,000 homes each year.⁶

By providing high-quality baling wire, packaging consumables, and strapping equipment, along with a supply chain that ensures timely delivery, Accent enhances the cost-effectiveness of recycling, ensures higher levels of throughput, and is a key enabler of recycling in the present and of its growth in the future.

Accent plays a critical role in recycling by compressing material and holding it securely through transit and storage

2. National Institutes of Health. *Programs Benefits of Recycling*.

3. US Environmental Protection Agency. *Recycling Basics and Benefits*. November 2024.

4. US Environmental Protection Agency. *National Overview: Facts and Figures on Materials, Wastes and Recycling*. November 2024.

5. European Environment Agency. *Waste Recycling in Europe*. December 2024.

6. US Environmental Protection Agency. *Greenhouse Gas Equivalencies Calculator*.



Heritage Grocers Group

Initial Investment

April 20, 2022¹

Overview

Heritage Grocers Group (“Heritage”) is a leading specialty grocery retailer with 115 total stores under the Cardenas Markets (“Cardenas”), El Rancho Supermercado (“El Rancho”), and Tony’s Fresh Market (“Tony’s”) banners. The grocers, founded in 1981, 1988, and 1979, respectively, offer a differentiated value proposition to customers with high-quality food at affordable price points while providing Hispanic and ethnic offerings that honor diverse cultural traditions that are often unavailable elsewhere locally.

AIM Theme

Health, Safety & Wellness, Economic Opportunity

UN SDG Alignment

 No Poverty  Zero Hunger  Good Health and Well-Being

Impact Mission

As a leading Hispanic-focused grocery retailer, Heritage provides a wide range of fresh, affordable, and culturally relevant foods to disproportionately low- to middle-income customers. By operating in underserved communities, Heritage increases its customers’ access to nutritious foods, thereby contributing to their improved health and well-being.

77% of stores are located in low-income communities²

1. Cardenas Markets add-on investment closed on August 1, 2022, El Rancho Supermercado add-on investment closed June 26, 2023.
2. Low-income census tracts, as defined by the US Department of Agriculture as of October 2022.

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

AIM Portfolio Company Heritage Grocers Group

Why It Matters

It is a long-established tenet of public health policy that a nutritious diet not only enables an individual's healthy growth and development, but also reduces the risk of chronic diseases such as diabetes, heart disease, and some cancers. Yet, geographic barriers prevent millions of Americans from accessing healthy foods.³

Lack of access to healthy foods is experienced acutely by individuals living in low-income neighborhoods and communities of color. Within the United States, an estimated 18.8 million people live in low-income census tracts and are more than one mile in urban areas or 10 miles in rural areas from the nearest supermarket.⁴ Grocery stores in low-income areas and communities of color are also less likely to stock healthy foods and typically offer lower-quality items.⁵ Hispanic families are more than twice as likely to face food insecurity as white families, highlighting the importance of serving this community.⁶

Affordability also poses a barrier. Research has shown that low-income communities are more likely to rely on inexpensive foods that are easily accessible but have little nutritional value.⁷ Affordability is most acute for families in the lowest-income quintile, who spend an average of 33% of their income on food.⁸ More accessible small stores (e.g., convenience stores, bodegas) charge higher prices for fresh produce than grocery stores.⁹ Consequently, low-income communities often pay higher prices for healthy food options than wealthier communities.

Increasing the number of grocery stores in low-income areas and communities of color can help address this issue. As a grocer located in primarily low-income areas, Heritage plays an important role in increasing the accessibility of healthy food in the communities where it operates. Research has found that individuals with greater access to supermarkets or a greater abundance of healthy foods in neighborhood stores consume more fresh produce and healthful items.¹⁰ Heritage's stores offer a wide variety of produce and sell more produce relative to peers,¹¹ a healthful product mix we seek to reinforce under AIM's ownership.

“We put our customers and communities at the heart of all we do. We honor the heritage and legacy of our people and our stores by feeding families and ensuring that our customers have access to a variety of affordable, fresh, and nutritious foods.”

Suzy Monford | Chief Executive Officer, Heritage Grocers Group

3. US Department of Agriculture. *Where Do Americans Usually Shop for Food and How Do They Travel To Get There? Initial Findings from the National Household Food Acquisition and Purchase Survey*. March 2015.
 4. US Department of Agriculture. *Food Access Research Atlas: Documentation*. January 2025.
 5. PolicyLink. *The Grocery Gap: Who Has Access to Healthy Food and Why It Matters*. 2010.
 6. Center for American Progress. *New Poverty and Food Insecurity Data Illustrate Persistent Racial Inequities — Center for American Progress*. September 2021.
 7. US Office of Disease Prevention and Health Promotion. *Access to Foods that Support Healthy Eating Patterns*. April 2022.
 8. US Department of Agriculture. *Food Prices and Spending*. February 2024.
 9. US Office of Disease Prevention and Health Promotion. *Access to Foods that Support Healthy Eating Patterns*. April 2022.
 10. PolicyLink. *The Grocery Gap: Who Has Access to Healthy Food and Why It Matters*. 2010.
 11. Independent Grocers Financial Survey. 2022.

Reno De Medici

Initial Investment

October 26, 2021

Overview

Founded in 1967 and headquartered in Milan, Italy, Reno De Medici (“RDM Group” or “RDM”) is the leading producer of recycled cartonboard in Europe, with core markets in Italy, Spain, Germany, Poland, France, and the UK. The company’s products are used in packaging for food, pharmaceutical, cleaning, and other products. RDM employs over 2,000 people at nine cartonboard mills, four specialized sheeting centers, and 13 sales offices across Europe, North America, and Asia.

AIM Theme

Climate & Sustainability

UN SDG Alignment

 Responsible Consumption and Production  Climate Action

Impact Mission

By recycling used paper products into cartonboard for fiber-based packaging, which is in turn recycled at an 83% rate, RDM contributes to the circular economy, thereby decreasing waste, emissions, and raw material use, especially as it substitutes less sustainable packaging materials and increases the environmental efficiency of its operations.

1.1M tons of paper recycled
by RDM in 2024

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.



AIM Portfolio Company

Reno De Medici

Why It Matters

Europeans produce an average of about 400 pounds of packaging waste per year, with paper, cartonboard, and plastic comprising much of that waste.¹

Plastic waste generation increased by roughly 30% between 2010 and 2021 in Europe, with significantly lower recycling rates than paper-based materials. Plastic products primarily create “downstream harms” — they create greenhouse gases when burned or put into landfills, harming wildlife when entering open waterways and human health when ingested as microplastics. Globally, only 9% of plastic waste is recycled, with the bulk of the material ending up in landfills or incinerated.

To address these harms, the European Commission adopted an ambitious circular economy action plan in 2015 and banned or restricted several single-use plastics in 2021, with further regulatory action likely. Consumers have increasingly adopted recycling (Europe now recycles ~83% of its paper and cardboard packaging²) and increased demand for products made from recycled materials, which generate less waste, emissions, and natural resource use.

Product innovation is needed in response to these trends in regulation and consumer sentiment. Indeed, greater manufacturing capacity will become necessary to create sustainable substitutes and supplements for plastic and virgin paper.

RDM contributes to solutions that reduce the environmental burden of packaging and plays a key role in the circular economy by recycling paper that could otherwise become waste into recycled cartonboard. Utilizing recycled cartonboard prevents the waste of valuable raw materials that otherwise would end up in landfills, supports reuse and recycling, and minimizes the need to utilize virgin material, therefore supporting forest preservation. It also reduces energy and water usage.

By working with customers to accelerate the transition from less sustainable packaging substrates to recycled cartonboard, as well as continuously improving the environmental impacts of its production operations, the company can help drive positive environmental impact alongside financial performance.

1. Eurostat. *Packaging Waste Statistics*. October 2024.

2. Eurostat-reported recycling rates for plastic waste.

RDM plays a key role in the circular economy of Europe



Smart Start

Initial Investment

December 16, 2021

Overview

Global IID Holdco, LLC (“Smart Start”) is a leading provider of alcohol monitoring programs utilizing ignition interlock devices, or “IIDs” (car breathalyzers that prevent a vehicle from starting if the driver has been drinking), for DUI offenders. The company is the leading player in the US, Canadian, and Australian IID markets, and is a top-three provider in Europe. The company operates or contracts with ~2,700 service center locations in 47 US states and 20 countries. Smart Start’s IIDs have prevented over 14 million engine starts where alcohol was present on the driver’s breath and recorded over a billion alcohol-free starts.

AIM Theme

Health, Safety & Wellness

UN SDG Alignment

-  Good Health and Well-Being
-  Decent Work and Economic Growth

Impact Mission

Smart Start’s alcohol monitoring programs reduce drunk driving incidents, which in turn decreases the number of car crashes and prevents the resulting cases of physical injury, death, or financial harm. The company’s IIDs also allow drivers to maintain driving privileges, thereby minimizing the economic and social impact of license suspension.

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

14M+ drunk driving attempts prevented by Smart Start IIDs

AIM Portfolio Company

Smart Start

Why It Matters

Drunk driving poses a serious threat to road safety, for drunk drivers themselves, their passengers, and others on the road. In 2022, drunk drivers caused an estimated 32% of car fatalities in the United States, with 13,524 lives lost. Of the 1,129 traffic fatalities in 2022 among children 14 and younger, 25% occurred in alcohol-impaired-driving crashes.¹ The economic costs are similarly significant: In 2020, the estimated cost of crash deaths involving alcohol-impaired drivers was roughly \$123 billion, including medical costs and cost estimates for lives lost.²

IIDs prevent people from driving while impaired and thereby reduce car crashes and associated deaths. The lifesaving impact of IIDs is supported by extensive government and academic research, which has shown that DUI deaths decrease by 15% in states that enact all-offender IID laws.³ Further, studies have shown that ignition interlocks reduce drunk driving recidivism by up to 70% among first-time, repeat, and high-risk offenders while they are installed.⁴ In recognition of the effectiveness of IIDs, advocacy efforts led by Mothers Against Drunk Driving (“MADD”) have in recent decades successfully pushed for stricter DUI laws, including the adoption of IIDs which are more effective at preventing repeat offenses than license suspension.

IIDs provide individuals with a history of drunk driving a safe way to retain their driving privileges, and therefore avoid the economic and social impact of a license suspension. In the absence of IIDs, these individuals would either not drive, compromising their ability to be productive members of society, or drive illegally, which is a danger to communities. Smart Start’s IIDs thus provide a critical pathway to reduce financial and other harm for their users and the public at large.

While IIDs are the preferred technology for preventing recurrent drunk driving, they are used by only a small fraction of individuals who engage in this dangerous behavior. Approximately 1.1 million drivers are arrested annually for DUIs in the US and Canada;⁵ on average they are estimated to have driven drunk at least 80 times each before they are caught.⁶ Of those arrests, only an estimated 37% of those eligible for an IID are required to have one installed, despite the significant safety benefits associated with their use.⁷ Many lives would be saved by increased use of IIDs.

**Ignition interlocks
reduce drunk driving
recidivism by up to
70% among first-time,
repeat, and high-risk
offenders**

1. National Highway Traffic Safety Administration (“NHTSA”), *Traffic Safety Facts: 2022 Data Alcohol-Impaired Driving*, 2024.

2. Centers for Disease Control and Prevention, *Impaired Driving: Get the Facts*, December 2022.

3. Kaufman EJ, Wiebe DJ, *Impact of State Ignition Interlock Laws on Alcohol-Involved Crash Deaths in the United States*, American Journal of Public Health, 2016.

4. National Conference of State Legislatures, *States Identify Effective Ignition Interlock Countermeasures to Fight DUIs*, February 2023.

5. Federal Bureau of Investigations, as of 2019, Government of Canada as of 2021.

6. Mothers Against Drunk Driving (MADD), *Advanced Technology*.

7. L.E.K. Research, 2021.

The State Group

Initial Investment
November 18, 2024

Overview
Established in 1961 and headquartered in Franklin, Tennessee, The State Group (“TSG”) is one of North America’s leading industrial and specialty services contractors, providing electrical, mechanical, millwrighting, robotics, and automation services to diverse industries. TSG executes complex projects at facilities from newbuild to ongoing maintenance and retrofit, with decades-long customer relationships across key markets including automotive, power, utilities, and industrials.

AIM Theme
Climate & Sustainability

SDG Alignment:
 Affordable and Clean Energy  Industry, Innovation and Infrastructure

Impact Mission
TSG supports the energy transition through its work in manufacturing plants as well as power and renewable facilities. A substantial portion of the company’s projects support energy transition-related sectors and enable customers to optimize, reduce, and decarbonize their energy use across a wide range of industrial end markets. TSG’s capabilities also have clear applicability to other fast-growing end markets, including data centers, where the company supports the implementation and energy optimization of critical technology infrastructure by providing electrical contracting services and other specialized solutions.

170 customers for whom TSG completed energy transition-related projects in 2024

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.



AIM Portfolio Company

The State Group

Why It Matters

Increasing energy efficiency within the transportation, power, and industrial sectors is vital for reducing GHG emissions generated in North America, as these sectors are among the largest emitters. Each sector has discrete levers for emissions reduction, including: the development of less carbon-intensive transportation and technologies, the increased utilization and generation of renewable energy, and the electrification of manufacturing and production processes. As a leading provider of electrical, mechanical, and automation services for these sectors, TSG plays an important role in supporting decarbonization through its execution of energy efficiency-related projects.

The transportation sector is the largest direct source of GHG emissions in the United States, driving an estimated ~30% of total emissions.¹ The majority of transportation-related GHG emissions are generated by burning fossil fuels, underscoring the need to shift from internal combustion engine vehicles to electric or hybrid vehicles to accelerate decarbonization.² TSG's deep customer relationships in the automotive sector over the past 60 years through a nested presence at dozens of auto production facilities have cultivated the expertise required to execute large new-build electric vehicle ("EV") and battery manufacturing projects. Today's EV and battery manufacturing facilities can cover up to 1,500 acres, incorporate 50+ miles of wiring and hundreds of automated machines, and can require cleanroom-level operating environments, given purity specifications in battery production. Highly specialized firms such as TSG are well-positioned to complete these projects given its breadth of service offerings, project management capabilities, and labor capacity.

The electric power sector is the second-largest source of GHG emissions in the United States, driving an estimated 25% of total emissions. Increasing the mix of renewable energy can have a significant impact on the decarbonization of this sector, as the majority of emissions result from the burning of fossil fuels to generate electricity. Renewable infrastructure and grid upgrades are critical to improving energy reliability and increasing the renewable energy mix because they allow the grid to effectively integrate variable renewable sources, which fluctuate depending on weather conditions, by improving flexibility and facilitating the transmission of new clean energy capacity to consumers. TSG has a long track record of executing projects for power and utility customers that support both the generation and distribution of renewable energy sources, including hydroelectric, solar, and battery storage. Similar to its embedded position in the automotive sector, TSG has been providing services to renewable power generation networks and hydropower facilities for over 30 years. Hydropower plants often have unique engineering specifications to adapt to each water source that require contractors such as TSG to have a specialized mix of traditional electrical contracting skills alongside bespoke mechanical installation and service capabilities.

1. US Environmental Protection Agency, *Sources of Greenhouse Gas Emissions*, March 2025.

2. Ibid.

TSG plays an important role in supporting decarbonization through its execution of energy efficiency-related projects

AIM Portfolio Company

The State Group

Industry constitutes an estimated 23% of total GHG emissions in the United States,³ largely driven by high-emitting metals and chemicals producers. The decarbonization of those industries is reliant upon the adoption of electrification and other low-carbon technologies due to their energy-intensive processes and reliance on fossil fuels.⁴ Across industrials, TSG serves a diverse range of emissions-intensive end markets, where it executes projects that optimize the carbon footprint of operations while also reducing operating costs, including the installation and maintenance of energy-efficient machinery. For example, TSG has worked with leading steel producers to install and maintain electric arc furnace technology, which melts scrap metal using electricity instead of coal, making production more sustainable. These are mission-critical facilities in competitive global markets where efficiency and uptime are key. TSG's knowledge of a facility's operations through its nested presence and long-term service relationships can enable it to execute upgrade projects such as these in a differentiated and trusted way.

By providing specialized labor and project management expertise to execute buildouts and retrofits that enable energy efficiency and decarbonization at scale, TSG can help drive positive environmental impact alongside robust financial performance.

3. US Environmental Protection Agency. *Sources of Greenhouse Gas Emissions*. March 2025.

4. United Nations. *Action to Decarbonize High Emitting Industrial Sectors Gathers Pace – Key Steps by the Technology Executive Committee*. May 2024.





Supplemental Health Care

Initial Investment

November 18, 2021

Overview

Supplemental Health Care (“SHC”) is a nationally recognized provider of tech-enabled staffing solutions for behavioral health, education, and healthcare settings across the continuum of care. The company places nurses and allied professionals (technicians, therapists, specialty assistants) on hard-to-fill local and travel assignments of 13 weeks or more, at clients’ hospitals, behavioral health facilities, home health facilities, schools, government facilities, and other non-acute settings, maintaining a candidate database of ~4.5 million. Founded in 1984 and headquartered in Salt Lake City, Utah, the company employed ~6,860 nurses and ~1,480 allied professionals in 2024.

AIM Theme

Health, Safety & Wellness

UN SDG Alignment

 Good Health and Well-Being

Impact Mission

SHC helps to solve the shortage of healthcare professionals, an ongoing crisis in the United States, by sourcing hard-to-find talent, offering them competitive pay, high-quality service, and greater flexibility, and placing them in roles across a variety of different settings. In doing so, the company is helping to increase access to care, decrease wait times, and improve health outcomes for patients while also providing attractive employment options for talent in the industry.

4.5M hours of patient care delivered by SHC healthcare professionals in the past year

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

AIM Portfolio Company Supplemental Health Care

Why It Matters

Places of care across the US continue to struggle to hire and retain nurses (including registered nurses, licensed practical nurses, and licensed vocational nurses) with roughly 300,000 vacancies expected by 2032.¹ The vacancies are driven by a general shortage in nurses, as well as high nurse turnover and growing demand for home healthcare.² The high turnover is at least in part attributable to nurse burnout — the decline in physical, emotional, and psychological energy resulting from work-related stress.³

The COVID-19 pandemic added significantly to these challenges, by increasing demand for nurses across almost all settings of care while simultaneously increasing nurse burnout. An increased focus on mental health, especially in schools, has also driven demand for behavioral nurses.⁴ These shortages are felt particularly in rural and underserved communities, which tend to have lower median household incomes, a higher percentage of children living in poverty, more uninsured residents and higher rates of mortality.⁵ Evidence has shown that nurse shortages harm patient health outcomes.⁶

Nurse shortages are driving settings of care to hire travel and temporary nurses to fill their health provider needs. Travel and temporary nurses provide critical incremental capacity in areas where there is difficulty recruiting permanent nurses or where healthcare facilities need short-term employees due to demand seasonality.

Increasing the quantity of nurses on staff is associated with better patient outcomes. Overworked nurses, both in length of shifts and in high patient-to-nurse ratios, have been linked to adverse patient outcomes such as increased frequency of hospital falls and pressure ulcers.⁷ Increase in nurse shift length also results in a reduction in the quality of patient experiences, including communication, explanation of medications, wait time for help, room cleanliness, and the receipt of discharge information.⁸ Since evidence has shown that morbidity rises with increasing patient-to-nurse ratios, states have instituted patient-to-nurse ratio laws.⁹

As a leading provider of healthcare staffing in the United States, SHC plays a critical role in ensuring that patients and students across the country receive adequate access to care. Deemed one of the best healthcare staffing agencies by ClearlyRated,¹⁰ SHC provides industry-leading talent and levels of service to provide patients with the best possible care. The company has been accredited with a certificate of the highest distinction by the Joint Commission, a US-based nonprofit organization that evaluates more than 22,000 healthcare organizations and programs for safety and quality. Of note, SHC won ClearlyRated's Best of Staffing Client and Talent awards for the eighth year in a row. The award recognizes staffing agencies that have exhibited superior service quality based on ratings provided by clients and placed talent. The company can expand this intentional culture of caring to more facilities, helping to increase patient satisfaction and outcomes nationwide. Moreover, in launching an upskilling and reskilling initiative, the company is increasing the skills of its professionals and adding new healthcare professionals to the labor force, making an impact in reducing the shortage of healthcare professionals across the country.

1. Health Resources and Services Administration. *Nurse Workforce Projections, 2022-2037*. November 2024.
2. Staffing Industry Analysts. *US has more than 4M nurses, though shortage is still a concern*. December 2024.
3. Kelly LA, Gee PM, Butler RJ. *Impact of nurse burnout on organizational and position turnover*. Nursing Outlook. 2021.
4. Education Advisory Board. *Are Districts the Nation's Adolescent Mental Health Care Providers?*. 2020.
5. Association of American Medical Colleges. *Health Disparities Affect Millions of Rural Communities*. October 2017.
6. Cheung R, Aiken L. *Nursing care and patient outcomes: international evidence*. Enfermería Clínica. January 2008.
7. BMC Nursing. *Nurse Staffing and Patient Outcomes: A Longitudinal Study on Trend and Seasonality*. 2016.
8. Stimpfel AW, Sloane DM, Aiken LH. *The longer the shifts for hospital nurses, the higher the levels of burnout and patient dissatisfaction*. Health Aff (Millwood). 2012.
9. Patient Safety Network. *Nursing and Patient Safety*. April 2021.
10. ClearlyRated. *Best Healthcare Staffing Agencies*. 2024. Healthcare employment agencies secured the Best of Staffing award by obtaining at least a 50% Net Promoter® score indicating that they provide high levels of service to their healthcare clients and job seekers.

“At Supplemental Health Care, our mission is to connect caring hearts with opportunities to fulfill their life purpose — serving others.”

Vickie Anenberg | Chief Operating Officer

United Living

Initial Investment

August 1, 2023

Overview

United Living is a diversified group that provides essential infrastructure and social housing maintenance and construction services for government and private clients in the United Kingdom. The company has four divisions: (i) Property Services (“ULPS”), which conducts major renovation, maintenance, and repair on social and affordable housing; (ii) Infrastructure Services (“ULIS”), which supports the design, maintenance, and construction of heating and water infrastructure, (iii) Connected (“ULC”), which supports the design, maintenance, and construction of telecommunications infrastructure; and (iv) New Homes, which sources land, designs, and constructs affordable homes and built-to-rent dwellings.

AIM Theme

Economic Opportunity, Climate & Sustainability

UN SDG Alignment



No Poverty



Industry, Innovation and Infrastructure



Reduced Inequalities



Sustainable Cities and Communities

Impact Mission

By maintaining, renovating, and building affordable housing facilities, United Living helps increase access to high-quality homes for underserved populations. There are many long-term ancillary benefits that quality affordable housing can provide in addition to shelter. Affordable housing allows households to accumulate savings, promotes multiple dimensions of mobility,¹ and can also improve health outcomes by freeing up family resources for other uses.

Both United Living’s ULIS and ULPS businesses are poised to contribute to the UK’s efforts to decarbonize, aligned with the country’s climate strategy. The ULIS business is well-positioned to develop energy transition infrastructure for hydrogen energy and carbon capture use and storage (“CCUS”). The ULPS business offers retrofitting and other decarbonization-focused services to improve the energy efficiency of housing, which is a critical pillar of the UK’s strategy for achieving net zero carbon emissions by 2050. Additionally, by servicing and maintaining the infrastructure of water, gas, and telecom distributors, the company’s ULIS and ULC businesses ensure communities have access to clean water, heating, and essential communications.

1. Urban Institute. *Five Housing Outcomes That Could Promote Long-Term Recovery from the COVID-19 Pandemic*. January 2021.

The investment example has been provided for illustrative and discussion purposes only. There can be no assurance that similar investment opportunities will be available or, if available, profitable.

68K+

affordable housing units
served in FY 2025

AIM Portfolio Company United Living

Why It Matters

In the UK, there is a critical and growing need for affordable, quality housing within both the social housing and private markets. Social housing applicants experience long wait-times, with 1.3 million households on waiting lists as of 2024.² The country suffers from a chronic supply gap of affordable housing, with the current rate of housebuilding of roughly 60,000 affordable homes per year coming up far short of the needed 145,000 homes.³

Many families who are unable to find affordable housing must instead live in so-called “non-decent” housing⁴ in the private rental market. Non-decent housing is characterized by hazards of dampness, poor insulation, and faulty wiring — all factors that can affect a family’s health.⁵ In 2023, 3.8 million homes in the UK were classified as non-decent, including 10% of its social housing stock.⁶ This underscores the critical need to renovate the existing affordable housing stock.

The benefits of improving housing affordability are well demonstrated. Renters tend to spend a disproportionate amount of their income on housing, leaving them without enough to cover the basic costs of living and accumulate savings.⁷ By improving the quality of existing structures and building affordable housing, United Living can help reduce the rent burden on households and allow for increased savings, thereby decreasing the number of low-income citizens living in non-affordable housing or facing homelessness.

The UK has also enacted a series of public sector commitments and policies designed to reduce the country’s GHG emissions over a set time frame. The residential sector is a significant GHG emitter, accounting for roughly 13% of UK emissions in 2023.⁸ Within residential housing, there is a significant opportunity to improve the energy efficiency of the country’s social housing stock to drive decarbonization of the sector. Approximately 34% of social housing units have scored below a C grade on the UK’s Energy Performance Certification,⁹ which assigns properties energy efficiency ratings. Improving all homes to a rating of C or higher by 2035 could reduce carbon emissions from homes by 30%.¹⁰

The building and maintenance of energy transition infrastructure is also essential to the UK’s emissions reduction plan, which will require hydrogen and CCUS value chain improvements to meet the country’s decarbonization targets, ranging from production to distribution, storage, and end use. Low carbon energy and CCUS solutions are estimated to account for ~13% of the carbon reduction required to achieve net zero.¹¹ Specialized labor for energy infrastructure is needed to execute the reduction plan, which United Living is helping to support by providing training and apprenticeship programs for workers. By developing energy transition infrastructure, retrofitting, and improving the sustainability of the housing stock, the company can help enable and catalyze the use of low-carbon solutions for industries that are important components of the UK’s decarbonization plan.

In 2023, 3.8 million homes in the UK were classified as non-decent, characterized by hazards of dampness, poor insulation, and faulty wiring — all factors that can affect a family’s health

2. *Social housing lettings in England, tenants: April 2023 to March 2024* — GOV.UK.

3. Bramley G. *Housing supply requirements across Great Britain for low-income households and homeless people: Research for Crisis and the National Housing Federation; Main Technical Report*. Heriot Watt University. 2019.

4. UK House of Commons Library. *What is affordable housing?* July 2023.

5. The Health Foundation. *Number of households in non-decent homes by tenure*. April 2023.

6. UK Government. *English Housing Survey 2023 to 2024: headline findings on housing quality and energy efficiency* — GOV.UK. January 2025.

7. Pew. *American Families Face a Growing Rent Burden*. April 2018.

8. Department for Energy Security & Net Zero. *2023 UK greenhouse gas emissions, provisional figures*. March 2023.

9. Strategy& Research. December 2022.

10. World Wildlife Foundation. *Priorities for homes in the Clean Growth Plan*. 2017.

11. Strategy& Research. December 2022.

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