PALLADIUM
EQUITY PARTNERS

Managing Director of Fundraising and Investor Relations – Palladium Equity Partners

2020

The Company

Company	Palladium Equity Partners
Year Founded	1997
Company Location	New York City, NY
Website	https://www.palladiumequity.com/
Company Overview	Palladium Equity Partners, LLC ("Palladium") is one of the oldest and most successful minority-owned private equity firms with nearly $3 billion of assets under management. Since its founding in 1997, Palladium has invested over $2.5 billion of capital in 36 platform investments and 140 add-on acquisitions. The firm is focused on making investments in middle market companies with a special focus on partnering with founders and family-owned businesses. The firm seeks to establish long-term partnerships with business owners, management teams and seasoned industry experts to provide capital, strategic guidance and operational oversight to accelerate growth and create value for all stakeholders. Palladium has significant expertise investing in the following industries: consumer, business services, industrials, and healthcare and focuses in investments in founder-owned businesses, particularly those in fragmented industries, and in businesses that can benefit from the growth of the US Hispanic market. The firm will generally invest equity capital of $50 million to $150 million in target companies with EBITDA from $10 million to $75 million. PEP II, which was raised in 2000, and PEP III, which was raised in 2005, are fully exited and have been very successful. PEP IV, with a $800 million target, was closed in 2014 with interest above its $1 billion cap, has completed four exits and has an unrealized portfolio of eight companies. PEP V was announced in 2018 and raised $1.6 billion, has invested about half of the fund in 6 portfolio companies and continues building a diversified portfolio. Investors in Palladium's private equity funds comprise a variety of institutions including: • Corporate and Public Pension Plans • Endowments, Foundations and Family Offices • Fund of Funds • Insurance Companies and Financial Institutions **Investment Strategy & Opportunity** The Palladium approach to the investment process is systematic and principled using products such as Management Buyouts, Growth Capital Financing, and Corporate Divestitures and Recapitalizations and focused on the 3 following key areas: Investments

- Identify and develop a strong Palladium angle in the sourcing effort, drive prudent entry valuations and leverage. Focus on founder transitions and operating expertise.

Value Creation

- Implement a standardized GOL™ value creation process which aims to accelerate growth, improve operations and enhance leadership at each portfolio company. Transform portfolio companies into larger and more profitable enterprises and provide management guidance and support in executing operational and strategic plans. Focus on transformation from founder-owned to professional enterprises.

Liquidity

- Maximize liquidity opportunities for LPs across the portfolio through recaps, strategic sales and capital market activities.

Founder Transitions

Palladium has a 24-year track record of creating value for investors by partnering with families and founders to implement growth strategies, supplement talent and ultimately facilitate orderly succession plans. The prevalence of founder-owned businesses translates into a large and consistent pool of investment opportunities that Palladium believes it is well situated to capitalize on.

- Founder-owned businesses comprise 90% of all companies in North America and contribute 57% of the GDP.
- Founder-owned businesses employ 57% of the North America workforce.
- 70% of new jobs created come from founder-owned businesses.
  Source: Ernst & Young Family Business Yearbook Report 2014

78% of the investments in Funds IV and V to date are founder-owned.

Roll-Ups

Another core focus area for Palladium is identifying fragmented sectors and executing accretive roll-up strategies. Over the course of its four institutional funds, Palladium believes its experience acquiring and integrating add-on acquisitions and its hands-on value creation approach allows the firm to work with management teams who may not have previously pursued consolidation strategies prior to Palladium's investment, and to build in-house corporate development teams to establish M&A as a core competency of its portfolio companies. The firm's pursuit of a consolidation strategy is generally focused on realizing one or more of the following six potential primary benefits of an M&A strategy: (i) geographic expansion, (ii) product and service diversification, (iii) increasing market share, (iv) realization of synergies, (v) reducing the entry valuation multiple and (vi) acquisition of human & intellectual capital.

Palladium has completed 140 add-on acquisitions (21 in Fund II, 75 in Fund III, 39 in Fund IV and 5 in Fund V), or an average of 4 add-ons per platform.

U.S. Hispanic Market

Palladium is also uniquely positioned within the private equity industry as the leading private equity firm investing in companies with a focus on the fast growing $1.2 trillion U.S. Hispanic market. Palladium's unique combination of experience in private equity, cultural affinity and active involvement in the U.S. Hispanic community, provides it with a competitive advantage to source proprietary founder-owned businesses and add value to portfolio companies.

U.S. Hispanics are a fast-growing segment of the U.S. population.

- Hispanic population growth represented 56% of total U.S. population growth in the last decade, and is expected to comprise nearly one-third of the total U.S. population by 2060. - Source: U.S. Census Bureau 2012

U.S. Hispanics are a young and growing segment.

- Today, Hispanic newborns comprise 26% of total U.S. newborns. On average, the Hispanic population is more than 14 years younger and has 30% higher birth rates than Non-Hispanics, driving continued sustainable growth in the future. - Source: Pew Hispanic Center

U.S. Hispanics represent a large and fast-growing buying-power.

- U.S. Hispanic purchasing power exceeds $1 trillion and grew at a 7% CAGR from 2010 to 2017, a rate 80% faster than non-Hispanic purchasing power growth. - Source: Selig Center for Economic Growth

56% of the investments in Funds IV and V to date are Hispanic oriented.

Diversity and Inclusion; ESG

Palladium has built a culture around Impact, Diversity and Inclusion, and ESG, altogether known as "Doing the Right Thing."

Palladium recognizes that a strong commitment to high standards of business practices & ethics is essential to generating value to all stakeholders and that ESG aspects can have a material impact on investment performance. Palladium is committed to employing best practices for ESG management at the firm level, in target company due diligence, and throughout the firm's ownership period for each majority investment made.

Over the last 24 years, Palladium has shown that achieving top returns for stakeholders, while doing the right thing and promoting diversity, is not only possible but also complementary. Since inception, Palladium has adhered to the fundamental belief that diversity and inclusion generates alpha and drives out-sized returns.

Since inception, Palladium has been a diverse, minority-owned firm. Palladium differentiates from its peers in its focus and leadership on diversity. 73% and 64% of all Palladium employees and its management committee are minority or female, respectively. Palladium takes action to ensure these values are also instilled at its portfolio companies. Palladium's objective is to have at least 2 women and 2 minority directors on each portfolio company board by early 2021, and the majority of its portfolio companies has already achieved one of these objectives.

The Position

Position Title	MD - Fundraising and Investor Relations
Location	Once offices are reopened, the candidate would be expected to spend at least one week per month in New York or Connecticut offices.

Position Summary

Palladium Equity Partners is seeking to hire an MD of Fundraising and Investor Relations. This senior-level hire will fill a newly created role at Palladium as the firm’s first fully dedicated MD of IR.

This person will be a key member of Palladium’s leadership team. They will be responsible for maintaining and enhancing relationships with both existing and prospective institutional investors. They will play a key role in fundraising across the firm’s products and will strategically position each product in order to target the appropriate investors, globally.

The successful candidate selected for this role will bring a proven track record and a passion for helping businesses scale. They must be highly credible with institutional investors and their consultants. They must have exceptional written and oral communication skills. This individual will be hired as a player coach who will grow and develop the investor relations team with continued AUM growth.

Responsibilities

Key responsibilities and duties include, but are not limited to:

- The successful candidate will be a critical culture carrier for the firm and be able to accelerate the firm’s recognition and track record as a leading minority-owned private equity firm.
- Lead and manage relationships with existing firm limited partners. Develop an optimum process for client service, client meetings and written communications.
- Set the strategy for raising capital from new investors. Identify new potential investors and the best approach for engagement. Continue to cultivate relationships with these institutions over time.
- Develop a systematic approach to building and enhancing investment consultant relationships.
- Assess, enhance and maintain firm client communication and due diligence materials.
- Help source and advise on co-investments with LPs.
- Assist with product development – establish optimum positioning and messaging of new funds.
- Lead the marketing process when the firm is seeking to raise a new fund.
- Provide input to the investment professionals on current trends in the market relating to LP issues.
- Manage, hire and develop a high performing and collaborative team.
- Coordinate public relations activities, including interfacing with PR firms. Assist with further development of the firm’s brand.
- Assist with the marketing efforts and brand building of the firm.
- Assume the lead in negotiating term agreements with LPs.
- Interface closely with the firm’s legal, tax and accounting professionals on a variety of LP issues.

The Person

Experience & Expertise	• **Domain Experience**: At least 10 years of experience in a marketing, fundraising or investor relations role with a private equity firm or alternative asset management firm. Experience working within a private market consultant, placement agent or Limited Partner also considered. • **Relationship Management**: A demonstrated track record of building long-term relationships with sophisticated institutional investors. A comprehensive technical understanding of private equity - can speak credibly about new investments and developments within the portfolio. • **Fundraising**: A demonstrated track record of raising capital from a broad range of institutional investors across the United States and internationally. • **Project Management**: Strong project management skills, hands-on experience developing best-in-class communications, marketing and due diligence materials. • **Player Coach**: Has experience building and developing a highly effective fundraising and investor relations team. • **Product Knowledge**: Strong understanding of trends and issues in the private equity industry and the ability to articulate the unique value proposition of the firm.
Leadership Capabilities	• **Shape Strategy**: Anticipate and interpret market changes; envision the future; decide strategic priorities. Experience assisting with product development and positioning. • **Inspire and Influence**: Builds powerful relationships, helps others find meaning and purpose in their work, inspires through energetic engagement. • **Drives for Results**: Coordinates execution by setting appropriate pace. Evokes ownership and accountability, streamlines process/structure, and reallocates resources quickly and flexibly. • **Lead Innovation**: Creates environments that encourage experimentation and where people feel safe to share ideas freely. Drives innovation through collaboration, and scales and invests in new ideas.
Culture Fit & Impact	**The preferred candidate will possess most of the following characteristics**: • Excited about being part of an organization that put utmost value on generating extraordinary returns to all stakeholders by doing the right thing • Believes in the importance of diversity, equity and inclusion to the future success, sustainability and transformation of the private equity industry

- Culturally able to work in a highly collegial environment and be comfortable with a consensus-based decision-making processes and collaborative approach.
- Be able to forge meaningful relationships with colleagues, creating an environment of open and trusting communication.
- Be a self-starter, who can interact collaboratively, but operate independently as required.
- Be intellectually inquisitive and analytically strong
- Have acute organizational and communication skills, coupled with a high level of maturity and professional presence.
- Have very high standards for quality of work product.
- Be flexible and fluid enough to promote change; be a visionary able to develop and implement "best practices".
- Ability to think strategically and at a detailed level.
- Have superior written, verbal, and interpersonal communication and presentation skills and the ability to clearly articulate and execute strategic initiatives.
- Have positive industry reputation for integrity, ethics, fair dealing, and value creation.
- Rolls up their sleeves and is hands-on to get the job done.
- Has excellent academic credentials. MBA, Charter Accountant, CPA or CFA accreditation will be a plus.
- Spanish language skills is a plus, but not required.

Engagement Team

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