

ESG
OVERVIEW
2023



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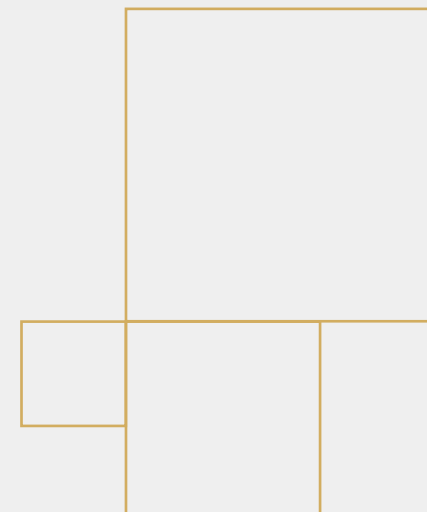
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MESSAGE FROM OUR PARTNERS

2024 is a milestone for Advent, as we celebrate our 40th anniversary. While much has changed since Peter Brooke founded the firm in 1984, important tenets remain intact. Unlock opportunity and build stronger, more resilient businesses.

Peter Brooke believed that “making contributions to industrial growth, employment and society” was central to sustained success. For us, it has always been about thinking longer term and seeing business performance through a wider lens, while having a positive impact on society and the communities in which we operate.

At the same time, Advent’s culture of continuous improvement means that, as markets and businesses have evolved, so too has our approach to finding new and innovative ways to create lasting value across our global portfolio.

Our belief that sustainability is intrinsic to value creation forms a key part of Advent’s resource-intensive approach to supporting businesses. Advent’s understanding and treatment of the financial risks and opportunities that environmental, social, and governance (ESG) considerations present for our portfolio companies is an increasingly important value protection and creation lever.

Advent’s deep sector and subsector specialization has allowed us to develop insights into industry developments, including those related to sustainability-related megatrends such as shifting market priorities and the transition to lower-carbon energy, as well as transparency and disclosure.

By applying intellectual capital, commercial perspective, and operating knowledge, we have helped our portfolio companies identify opportunities that might have otherwise gone unnoticed. By embracing sustainability, we have been able to help our portfolio companies overcome challenges, reach new markets, embrace new technologies, and launch new products, helping them to transform and grow.

We are confident that our approach to sustainability will help us to continue to unlock opportunity and build stronger, more resilient businesses as we look ahead to the next phase of Advent’s journey.

The Advent Partners
May 2024



OUR GLOBAL APPROACH

Being a responsible investor means respecting communities, communicating transparently, managing risk, and creating value through operational excellence.

We recognize the importance of frequent and transparent communications with our investors, our portfolio companies and our employees.

This Overview Report is designed to provide insight into our approach to ESG and a snapshot of various ESG initiatives within our portfolio.

**15**

OFFICES

12

COUNTRIES

4

CONTINENTS

590+

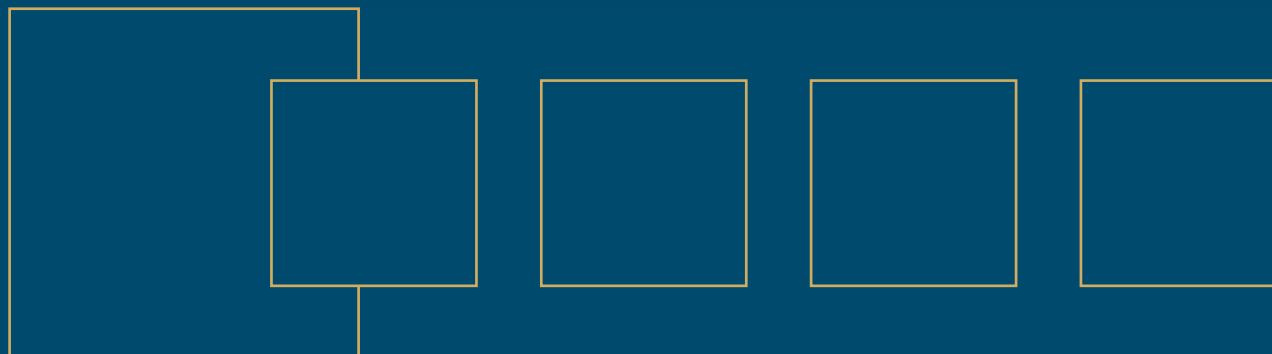
EMPLOYEES

\$87
billionASSETS
UNDER
MANAGEMENT**297**INVESTMENT
PROFESSIONALS**417**INVESTMENTS
ACROSS 43
COUNTRIES*All data as of December 31, 2023*



OUR APPROACH TO ESG IN THE INVESTMENT PROCESS

We believe that active identification and appropriate management of ESG issues is important to value creation, operational excellence, and risk management.



INVESTMENT SOURCING

Advent identifies, targets, and sources the most compelling investment opportunities through a disciplined origination process. We employ strict due diligence standards to ensure alignment with Advent's investment thesis, its value creation approach, and stewardship commitment for the long term. These standards incorporate sector expertise and regional perspective into the decision-making process to ensure a consistent approach. ESG pre-diligence screens and targeted ESG-related diligences are performed by external experts for specifically identified ESG issues, as applicable. Investment decisions are made by consensus and are determined over a series of investment committee meetings where risks and opportunities, including ESG considerations, are thoroughly assessed.

ACTIVE OWNERSHIP

Once an investment has been made and we have full access to management, Advent conducts an additional ESG assessment, with the goal of more precisely identifying company-specific risks and opportunities. The output from these reviews informs action plans, serves as a baseline for our ESG profile, and provides material for our regular reports for Advent's limited partners.

At Advent, we view ourselves as good stewards of businesses that build and position companies for long-term success. We work with our portfolio companies to support them in driving operational and strategic improvements, including identifying and managing ESG issues that may be significant for their corporate strategy, such as environmental, health and safety profile, workforce engagement, cybersecurity, supply chain, greenhouse gas (GHG) inventories and comprehensive ESG benchmarking and scoring. We provide guidance and resources to our portfolio companies as they undertake these initiatives under our active ownership model.

ESG REPORTING

At Advent we communicate regularly with our limited partners about ESG. Our ESG Overview Report describes Advent's approach to ESG in the investment process and the firm. The report highlights key initiatives and features selected short case studies on a variety of portfolio companies that are addressing challenging ESG issues in interesting and meaningful ways. In addition, we provide portfolio company level ESG reporting that illustrates key risks and opportunities within our seven most recent funds (GPE VIII, IX and X; LAPEF VI and VII; and Advent Tech I and II) on a semi-annual basis.

INVESTMENT REALIZATION

We aim to ensure a healthy future for our portfolio companies, realizing our investment value and handing on a more robust, valuable, better-managed company at the close of our investment period.



EMBRACING SUSTAINABILITY

Leveraging 40 years of sector and regional expertise, Advent offers a global perspective on ESG challenges and opportunities across investment types, geographies, and industries.

Working closely with portfolio companies using a resource-intensive approach, we prioritize operational excellence and remain committed to addressing ESG and sustainability factors that would position our businesses for long-term success.





CREATING VALUE SUSTAINABILITY LENS

As ESG and sustainability topics evolve, businesses across sectors and regions have begun to adapt and innovate. They are exploring new markets and adopting fresh approaches, looking through the sustainability lens for opportunities to help them grow.





CREATING VALUE SUSTAINABILITY LENS

Driven by factors such as increasing market demand for sustainable offerings, customer and employee preferences, supply chain disruptions and technology innovations, sustainability has begun to influence approaches to long-term business success.



Sustainability topics are evolving, becoming more integrated business strategies across sectors and regions.

In response to this changing landscape, companies are increasingly attuned to potential shifts in value chains, seeking ways to leverage these changes for competitive advantage. Integrating tailored sustainability-related opportunities into their corporate strategy is one way we see our portfolio companies realize additional potential.

Considering ESG dimensions can help identify specific actions for portfolio companies to take. As companies strive for resilience, core competencies related to sustainability themes such as operational excellence, good

governance, and transparency can guide strategic focus. Leveraging our regional and sector expertise and global resources, we work closely with management teams to identify and implement these sustainability-related opportunities, helping companies to position themselves for long-term success.

Viewing a portfolio company's offerings through a sustainability lens, the ability to meet emerging and future customer needs is one path to creating value. At Advent, we believe that we are a reliable partner for management teams like those at companies such as InPost, INNIO, and Conservice as they explore new markets and approaches.



It's never been as important as it is right now to be able to create value for our companies, and we're finding a host of new and exciting ways to do that for our portfolio.

David Mussafer
Chairman and Managing Partner,
Advent International



INPOST

Since 2017, Advent has invested substantially in InPost Group to support the management team and facilitate market share expansion across Europe. During that time, InPost became a leading out-of-home e-commerce delivery company in Europe, providing delivery services through its network of more than 35,000 automatic parcel machines (APMs) and operating across nine European markets, as of the end of 2023. InPost successfully listed on the Euronext Amsterdam stock exchange in January 2021 and was, at that time, the largest-ever tech IPO in Europe. InPost delivered more than 890 million parcels in 2023.

That growth momentum continues today.

InPost has grounded its corporate strategy in customer-centricity. According to the company's research results, 81 percent of customers say they would be more likely to buy

a given brand if it would allow for recycling its packaging or the product itself. Sixty-eight percent of older customers say they believe that buying through e-commerce is easy. InPost's customer-centric approach revolves around leveraging cutting-edge technologies and is summarized in three pillars: changing the lifestyle of tomorrow, delivering lower carbon e-commerce, and motivating employees and business partners. These pillars are clearly defined, ambitious goals are set, and the company regularly monitors progress against each one.

Sustainability is central to the company's market positioning and value proposition to its customers, which is why the credibility of its information and reporting is critical. Assuring its stakeholders of the integrity of its ESG commitments and its data on progress is a priority for the company's executive leadership

and Board of Directors. Verifying ESG data and advancing the company's accountability for performance, a third party audited dozens of ESG information narratives and indicators for InPost's 2023 Integrated Annual Report. In addition, InPost has sought and received approval from the Science-Based Targets initiative (SBTi) for its GHG reduction and net-zero targets.

In March 2023, InPost announced that it was the first Polish company with net-zero targets by 2040 approved by SBTi and the third in the logistics sector worldwide to pursue an ambitious decarbonization path by 2040.

InPost has been a pioneer in European out-of-home delivery for e-commerce, allowing it to deliver more parcels with fewer miles traveled. These innovative approaches reduce the GHGs-per-parcel-delivered by up to 75 percent compared with traditional delivery methods. Rather than an ESG "trend," these better ways of doing business reflect a long-term shift in the structure of society and the economy.

InPost's action plan to achieve its net-zero goals is detailed and involves gradual changes across many areas of the business, including optimizing the energy performance of its infrastructure. As part of its commitment to climate action, InPost will pursue operational efficiency opportunities, additional certifications, maximize renewable energy, and reduce emissions from the company's vehicle fleet. Mechanisms and processes to achieve these goals have been incorporated into the company's International Standards Organization (ISO) Integrated Management

75%

Innovative approaches
reduce the GHGs
per-parcel-delivered
up to 75 percent
compared with
traditional delivery
methods

System (IMS) and will be audited as part of the IMS certifications. InPost continues to expand its InPost Green City program and is investing in electric vehicle (EV) charging infrastructure as it partners with municipalities to advance their transitions to lower-carbon solutions.

In recognition of the importance of suppliers in InPost's ability to reach its net-zero commitments, the company has structured a supplier bonus system in which vendors receive 'bonus' points for incorporating ESG into their own systems and for reducing GHG emissions in support of InPost's net-zero targets. The company aims to develop a Supplier Engagement Program to support its suppliers and business partners in setting and implementing their own emission reduction targets.

The success companies like InPost have created by seeing ESG as a value creation lever and helping their customers reduce carbon emissions in the supply chain has informed strategic growth plans at other Advent portfolio companies such as EVRi in the UK.





INNIO

INNIO was created in 2018 following Advent's \$3.25 billion carve-out of General Electric's Distributed Power business. With more than 80 years of reciprocating engine experience in distributed power generation and gas compression, INNIO's Jenbacher and Waukesha brands look back at a rich history of global leadership in their respective fields.

Today, INNIO's innovative products and services are helping to accelerate the energy transition to net zero in many countries around the world.

Advent and company leadership saw an opportunity that might have been overlooked by other investors. INNIO is well-positioned in the global gas engine sector, driven by a continuously increasing demand for affordable, reliable and sustainable solutions for power generation and gas compression near or at the point of use. Working with INNIO's leadership team, Advent helped frame the sustainability message and inspired INNIO to double down on lower-carbon and carbon-free fuels of the future.

INNIO is strategically positioned to play a defining role across the energy industry as the global energy transition unfolds. INNIO operates as a platform connecting two powerful global product brands linked by an energy solution and service that is flexible, scalable and resilient.

With the continued growth of renewables across the globe and the increased emphasis on energy efficiency, INNIO stands as a key enabler and integral part of the energy transition.

Pairing renewable energy generation, such as solar and wind, with INNIO's efficient engines, which can ramp up in under a minute – as quickly as the weather changes – ensures a reliable energy supply to the grid. As these engines can be powered by low-carbon or

carbon-free fuels, this combination creates generation capacity that is truly ready for a transition to a low- or even zero-carbon future. Given the uncertainty in future energy prices, regulations that might require sustainable fuel usage, and customer preferences, large capital investments can seem daunting for municipalities and companies.

With the fuel flexibility of INNIO's engines, customers can invest now and operate on currently available fuels and easily adapt to a broad range of future innovative fuels – from landfill, sewage and biogas to newer carbon-free fuels such as hydrogen. Andreas Kunz, Chief Technology Officer at INNIO explains, "Our engines operate emissions-reducing technology but have a clear line of sight to operate emissions-free in the future." Examples of INNIO's forward-looking solutions include a plant in Istanbul powered by landfill gas, South Korea's first hydrogen power plant, and an initiative to integrate biomethane into the fuel mix of Thailand.

As a business partner working to a net-zero energy solution for its customers, INNIO's strategy required taking sustainability seriously itself. Working alongside management, Advent has helped to develop the company's approach to environmental, social and governance (ESG). With the support of Advent, the company has put reporting frameworks and key performance indicators (KPIs) in place to support its repositioning in the marketplace as a sustainability leader and partner to its customers.



Advent helped tremendously to set out the ESG strategy and improve operational excellence at the company, winning top sustainability ratings globally.

Marcin Kawa
VP Group Sustainability, INNIO

Andreas Kunz explains, "We see the commercial benefits of our ESG credibility in this space, not only with our customers but across many business relationships."

INNIO has driven these changes because they increase the company's value while providing environmental benefit. The company has improved its safety profile, reduced energy intensity and emissions, incorporated more renewable energy, and increased its use of recycled items in its material inputs. Since Advent's entry in 2018, the workforce has expanded by 30 percent. The business now reports that over a third of its orders are for low-carbon fuel technology.

30%

Expansion
of INNIO's
workforce
since 2018





30%

Percentage of
multifamily property
clients using new
Conservice ESG
services

CONSERVICE

At Advent, we look for opportunities to add value. We believe that that together we can accomplish more than a company might otherwise. Conservice is one example of unlocking value by looking through the sustainability lens.

Conservice is a full utility management platform for the property management industry. Utilities are one of their largest expenses. And 30 to 40 percent of global carbon emissions come from real estate. The company has over six million service points in the United States and Canada. Real estate owners and operators have very aggressive and very public net zero goals, and it is up to the property managers to gather and report that data and reduce both energy consumption and emissions.

Advent has worked with the leadership team to create long term value by building a business that delivers for clients not just as an industry leader but as an industry innovator. Early in our investment, the management team realized that many of its customers were taking data from Conservice and uploading it into a multitude of other applications to do sustainability reporting, benchmarking, data visualization, and certifications. Conservice identified the opportunity to build an end-to-end solution for its customers. When the team looked at the

market, they identified Goby, a leading ESG platform serving the commercial real estate and fund management industries, as the best fit to offer what they now call a “bill-to-boardroom solution”; a full comprehensive ESG solution in the industry. Conservice completed the acquisition of Goby in late 2021.

As of December 2023, more than 30 percent of the multifamily properties that Conservice works with were using at least one of their ESG services. This ecosystem of clients that Conservice works with on carbon footprint data, reduction strategies, and tools have materially reduced their average carbon emissions. The number of multifamily properties using Conservice’s sustainability solutions increased by more than 40 percent in 2023 over the prior year, demonstrating continued strong demand for sustainability services in this market.

As real estate investors and property managers focus more on the impact buildings have on GHG emissions globally, demand for data to measure and manage those impacts is only increasing. Conservice continues to help its clients and customers attain their sustainability goals by enabling them to measure consumption, drive their energy down, reduce their operating costs, and hit their net zero carbon targets.



REGIONAL EXPERTISE FOCUS ON LATIN AMERICA

Sustainability-related risks and opportunities can vary in scale and likelihood depending on a business's context and operational footprint, demonstrating how regional expertise may play a role in tailoring ESG initiatives.





REGIONAL EXPERTISE FOCUS ON LATIN AMERICA

Regional expertise and local talent can help navigate ESG issues across different markets. A deep understanding of a business's context may reveal sustainability-related risks and opportunities better to those who know the market well.



Sustainability issues are nearly universal, yet their potential impact and how they manifest in a business are unique, shaped by factors such as the business model, sector, and region of operations. At Advent, we believe these nuances can offer value creation opportunities even as they influence sustainability-related challenges, and that access to regional expertise and local talent can play an important role.

Advent is committed to considering sustainability aspects in the investment process, working closely with management teams to adopt appropriate corporate governance as a strategic priority. Regardless of sector or region, we work to enhance corporate governance practices, aligning them with established best practices and consistent global standards while acknowledging the diverse regional contexts.

\$6.8bn

Invested or
committed in
64 businesses
across Latin America
over past 24 years



When you put strong governance in place, you are immediately creating value. Raising the bar of transparency, accountability, and adherence to world-class standards not only provides an advantage vis-à-vis competitors in the region, it also can position our companies to become attractive investments for strategic buyers, often multinational corporations, public investors in an IPO, or both. For us, corporate governance is a major part of what we do to create value for our portfolio companies.

Patrice Etlin
Managing Partner, Advent International

GOVERNANCE IS A STRATEGIC PRIORITY

Advent's investment teams regularly encounter founder-led or family-controlled businesses, often presenting compelling investment prospects. In regions like Latin America, these businesses may offer the potential for growth through regional consolidation and market expansion, leveraging Advent's sector expertise and global platform.

Yet, in some markets, such as those in Latin America, tight-knit business communities and straightforward localized governance practices may be prevalent. Insularity and a lack of sophistication in corporate governance may limit growth. Transforming these local businesses into regional leaders usually involves consolidation, professionalization, and an evolution of their corporate governance.

Many of these businesses have yet to implement appropriate corporate governance practices for competition in a global landscape, leaving their potential untapped. Challenges can range from conflicts of interest to a lack of financial and independent oversight.

Businesses in Latin America seeking to leverage the nearshoring trend and become suppliers for North American companies or to be acquisition targets for more developed companies, for example, may enhance their competitiveness by implementing globally recognized accounting and auditing practices, recruitment of independent board members from diverse backgrounds, and rigorous oversight of management teams.

Working closely with the company's leadership, we support the formation of diverse, independent boards, implementation of strict controls, and establishment of transparent reporting mechanisms. Efforts to clarify roles and responsibilities with management, the board, and shareholders support effective decision-making within the company.

Cultural awareness is critical to engaging stakeholders and aligning businesses with broader marketplace expectations. Leveraging regional and global networks to bring in new directors is key to corporate governance development in this region.

Transparency and accountability are building blocks for long-term competitiveness in global markets. Robust corporate governance systems are fundamental for companies, regardless of region or sector. A region-specific approach can serve as a first step in value creation and is a natural focus, given our operational model.

Sophos Solutions, GTM, and CI&T illustrate how regional expertise and Advent's commitment to good governance practices have led to growth and globalization for our portfolio companies.



SOPHOS SOLUTIONS

The sale of Sophos Solutions to strategic partner GFT, announced in early 2024, illustrates the way Advent's approach to professionalization of governance processes can position a company to capitalize on the accelerating growth opportunities in Latin American markets.

Sophos was founded in 2006 by visionary entrepreneurs and was a key player in transforming digital technology in financial institutions in Colombia. Specializing in the implementation of core banking systems and the operation of testing services, software factories and cloud migrations, the company became an important factor in the technological transformation of the Latin American financial system.

We believe a well-functioning, well-governed company such as Sophos makes a more valuable acquisition target

Since investing in 2020, Advent's objective had been to promote the company's growth and internationalization and foster its consolidation as a regional player. The strategy involved supporting financial institutions, promoting their development, consolidating their digital transformation processes, accelerating their modernization, and turning Colombia into a center of technology and innovation in Latin America. Advancing the company's value creation strategy, the Advent team leveraged the expertise of our global tech team, combined with access to world-class resources and local and regional sector knowledge.

During Advent's ownership period, Sophos Solutions strengthened key areas of governance. Experienced professionals were recruited to the executive team, including the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), and Chief Operating Officer (COO), and to the board as independent members. Critical governance committees, such as Finance, Operations, and Human Resources, were established and relevant policies developed and implemented. The company also aligned its talent attraction, hiring and retention practices with global best practices for the tech industry.

Collaboration and innovation are valued highly and seen as integral to the company's community ethos. Its employee engagement, benefits, training and development, and corporate culture have earned it Great Place to Work® recognition in Colombia in 2023, in addition to other certifications and recognitions.

We believe a well-functioning, well-governed company such as Sophos makes a more valuable acquisition target because such an entity makes smooth, rapid integration into a larger business possible, enabling faster value creation and recognition. In this case, Sophos presented the potential of a large group of blue-chip local clients and an abundant source of skilled talent to continue their expansion across Latin America.

The merged company is well positioned to combine Sophos' expertise and global presence with GFT's and looks forward to even better supporting its clients on their digital transformation journey.

“ ”

We are grateful to Advent for taking our company to the next level.

Felipe Villas
CEO, Sophos



GTM

When Advent invested in Grupo Transmerquim S.A. (GTM) in 2014, the company had grown organically to become a leading player in Central America and a growing presence in the Andean region.

The chemicals distribution market, especially in Latin America, had been highly fragmented. GTM provided an opportunity to consolidate local and regional companies across distinct markets. By 2017, it had acquired companies in Colombia, Peru, Mexico, and Brazil, positioning itself as a leading player in the Latin America region.

Working closely with the leadership team, the Advent team identified sustainability-related issues, particularly corporate governance and employee health and safety, that would be relevant for further expansion and global

market access. Implementing policies covering environmental management, anti-corruption and bribery, discrimination, health and safety, and whistleblowing, among others, and reporting on them consistently across markets aligned GTM with global best practices in the chemistry industry. This also supported the company as it sought to meet the increasing demands of relevant stakeholders like government entities, suppliers, and customers.

The development of a strong health and safety program would later be considered in GTM's merger with global specialty chemicals provider Caldic in 2022. Regional relationships and in-market expertise were keys to harmonizing and enhancing health and safety programs across markets in support of the company's continued growth and access to global markets.



50%

URG representation
within CI&T has
increased to
50.3 percent
overall



CI&T

In 2019, Advent strategically invested as a minority partner in CI&T, a Brazilian digital services provider, alongside the company's founders and other investors. At the time, CI&T with a workforce of 2,350 people and global operations, was experiencing rapid growth. Advent's Latin American deal team sought to leverage its regional expertise and the Advent Tech team's prior experiences to support the company's continued expansion.

The management team at CI&T had identified hiring and retaining a high-performing and diverse workforce as important to its long-term development. Diversity initiatives were launched, aimed at increasing representation of women, Black individuals, people with disabilities, and LGBTQIA+ persons within the company. The objective was to have 35 percent of employees come from underrepresented groups (URGs), to move toward aligning more closely with local workforce demographics.

The Advent team assisted CI&T in enhancing its corporate governance, including recruiting independent board members from diverse backgrounds. ESG principles were embedded into the foundational pillars of CI&T's business while driving key operational improvements. In 2022, the Latin American Venture Capital Association recognized Advent's achievements in ESG with the Gender and Diversity ESG Award for CI&T.

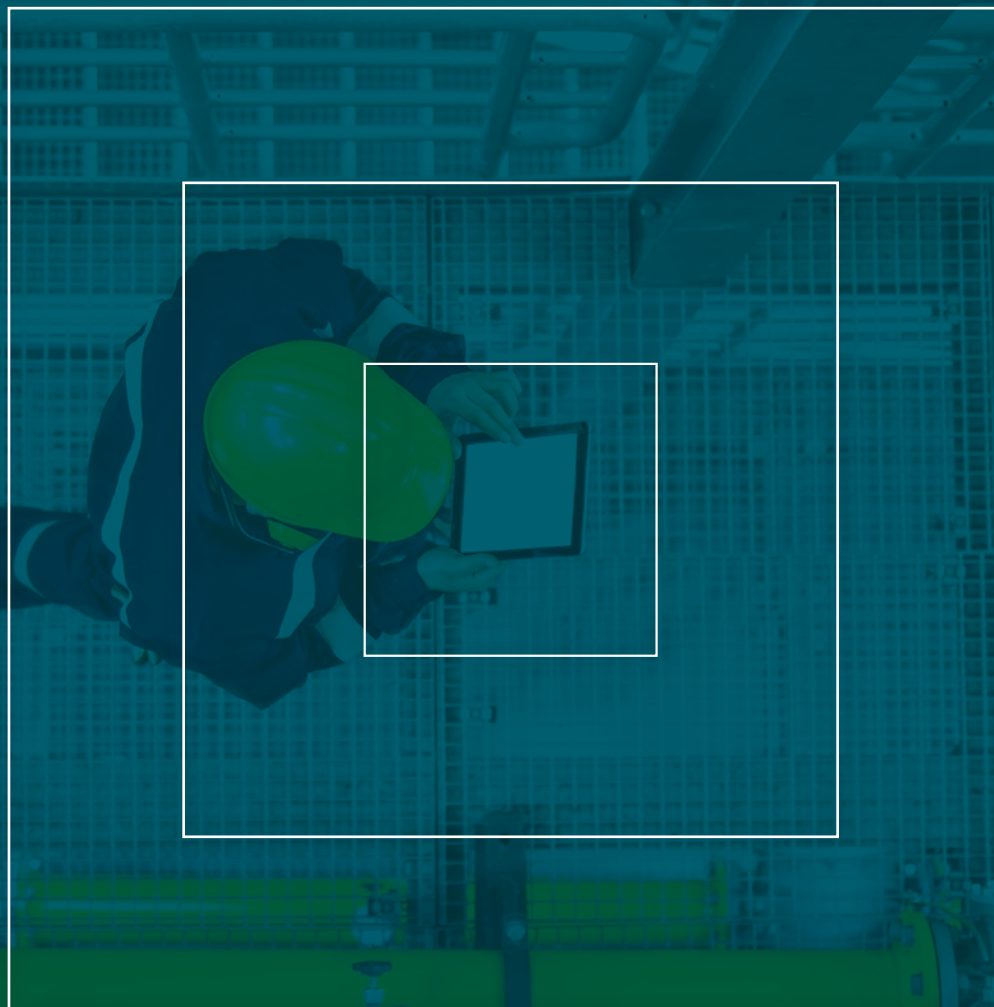
By the end of 2023, CI&T's board featured four independent directors, two of whom were women, on the eight-member board. URG representation in the company had increased from its 2020 goal, rising to 50.3 percent overall, with URGs holding 37.5 percent of leadership positions. CI&T was awarded its 17th consecutive Great Place to Work® award in Brazil in 2023.

CI&T completed its IPO in November 2021, listing on the New York Stock Exchange.



SECTOR EXPERTISE FOCUS ON CHEMICALS

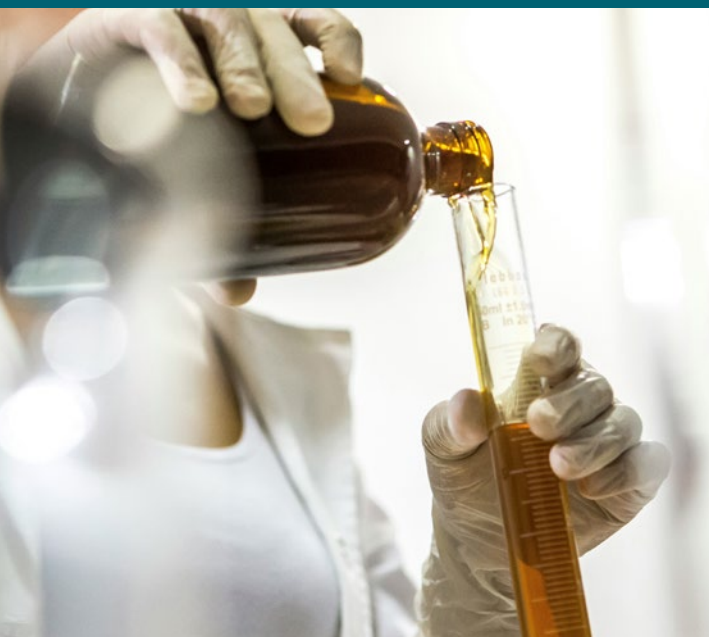
At Advent, we work to proactively address society's increasing expectations on the chemicals industry around the management of traditional sustainability-related issues, including environmental, health and safety and human capital risks, as well as a growing focus on more environmentally-friendly products.





SECTOR EXPERTISE FOCUS ON CHEMICALS

With more than 35 years of experience, Advent is one of the most seasoned investors in the chemicals industry.



Chemical companies must meet rapidly evolving environmental and process safety standards, comply with increasingly complex regulations and invest in maintaining existing assets while remaining cost-competitive. Our investment approach incorporates our understanding of the financial risks and opportunities that ESG considerations present. We believe sellers recognize Advent as a highly credible sponsor of businesses, in part due to our ability to support our portfolio companies in navigating complex sustainability-related risks and identify compelling sustainability-related value creation opportunities. Addressing these risks and opportunities can also be a competitive differentiator, as customer expectations of suppliers increasingly extend beyond product and process quality to include adherence to high standards in worker safety and environmental practices.



As with all our investments, we pursue a long-term growth approach in the chemicals industry and intend to support our companies throughout their next phases of growth.

Ron Ayles
Managing Partner, Advent International

Many of Advent's investments in this sector have included complex carve-outs and mergers and acquisitions (M&A) activity. This results in the need to stand up new or combine existing ESG programs, often creating unique challenges around implementing and integrating sustainability culture and practices and demands significant operational experience to execute. Our reputation and relationships with employees and labor unions, customers, suppliers, and local communities, are especially important in these situations.

The chemicals industry can be demanding for some financial investors. We believe that a deep understanding of the sustainability-related challenges and opportunities in this sector can enhance our credibility with stakeholders.



RÖHM

Now the leading producer of methacrylates and derivative products (including the PLEXIGLAS® brand), Röhm was carved out from Evonik in 2019 to establish a standalone company.

Because the production of methacrylates depends on the handling of hazardous substances, Röhm's guiding principle is "Safety First." The company has instituted employee health and safety (EHS) and transportation programs, dedicated to ensuring safe working conditions, production and storage facilities and transport of these materials.

Röhm's physical inspection practices and use of global positioning satellite (GPS) mapping of transportation routes enable them to continuously monitor shipments and respond quickly in the event of an incident. As a result of this strong EHS culture, the company's total recordable incident rate in 2022 was 0.65, which is below the chemicals industry average of 1.34 recordable cases. In 2023, Röhm was awarded a gold medal from EcoVadis, which examines sustainability criteria and provides sustainability rankings, for its ESG performance.

Because the company's success is strongly linked to the contribution and retention of its 3,500+ employees, ensuring a continuous dialogue with labor unions and employee representatives remains important. Additionally, to align incentives and share rewards, the company implemented a broad-based profit-sharing program, HI5, through which employees in Germany and China could participate in the company's overall performance.

As the focus on more environmentally-friendly products has increased, sustainability has become integral to Röhm's business strategy. In 2021, the company launched "Track 2030 – The Röhm Sustainability Program."

PLEXIGLAS® proTerra was the first product launched with the new brand qualifier for sustainability. This range contains approximately 90 percent recycled acrylic glass and, at the same time, offers the proven brand quality of the original. This way, PLEXIGLAS® contributes to a resource-friendly circular economy.

With support from Advent, Röhm invested in a new plant that will be the first to employ its unique and proprietary "leading in methacrylates" (LiMA) technology to produce methyl methacrylate (MMA) on an industrial scale. The LiMA production process enables a high product yield with low energy consumption and reduced wastewater volumes. This technology sets new standards for using resources efficiently and for making notable reductions in its environmental impact, with an estimated 30 percent lower product carbon footprint.

As part of Röhm's continued commitment to carbon reduction, the company has received certifications under the International Sustainability and Carbon Certification (ISCC) PLUS scheme. These independent certifications are designed to ensure complete traceability of the sustainable raw materials back to the sources, thereby offering customers maximum transparency. ISCC PLUS certification is part of Röhm's global sustainability strategy and allows the company to provide its customers with products that have at least a 25 percent lower CO₂ footprint and contain up to 30 percent of certified sustainable raw materials.



€1.7bn

Investment in
expansion of facilities
for proprietary
LiMA production
process





CALDIC

The global Caldic organization's extensive health and safety programs, quality management systems, and overall sustainability performance have benefitted from our initial acquisition and development of a smaller regional player, GTM.

In 2022, Advent acquired Netherlands-based Caldic, a 50-year-old global provider of value-added life sciences and specialty chemicals solutions. The Advent chemicals investment team identified an opportunity to merge Caldic, with its European focus, and an existing Advent portfolio company, Latin America's Grupo Transmerquim S.A. (GTM), a leading regional specialty chemicals distributor, to create a company with a global presence.

The global Caldic organization's extensive health and safety programs, quality management systems, and overall sustainability performance have benefitted from our initial acquisition and development of a smaller regional player, GTM. Led by management with Advent's support, GTM had implemented comprehensive corporate governance and a top-tier EHS program across the group, positioning itself for a more significant global role amid ongoing industry consolidation. Drawing on GTM's integration experience around EHS and sustainability as it approached the merger with Caldic, the Advent chemicals investment team again partnered with the management team to begin aligning the combined organization's processes and practices. These were designed to ensure that the company would meet local and global health, safety and environmental standards.

As a first step in harmonizing the two standalone ESG programs, Caldic conducted a materiality assessment with engagement from senior leadership to identify strategic sustainability-related priorities of the new entity. This process resulted in the alignment of ESG-related focus areas in five key categories:

- **Business Integrity**
- **Product Stewardship**
- **Responsible Operations**
- **People Fulfillment and Diversity**
- **Financial Resilience**

These findings informed the development of the ESG strategic roadmap and the blended sustainability program |moving forward.

Each legacy company also underwent an individual S&P Corporate Sustainability Assessment to evaluate existing policies, practices and performance. These independent assessments enabled senior business leaders to identify areas for improvement and share best practices across global operations, raising the collective standards globally across what it now calls Quality, Health, Safety and the Environment (QHSE).

Caldic has pursued an EcoVadis Sustainability Rating for all operational locations, as part of the strategic roadmap. This external evaluation validates ESG performance across 21 indicators, covering broader themes such as environment, labor standards, ethics and sustainable procurement. With its ratings in hand — a Gold medal for the group and multiple Platinum awards for local facilities — the Caldic management team was then able to develop targeted plans to enhance sustainability initiatives and performance.

Gold

The Caldic group has a gold EcoVadis Sustainability Rating for ESG performance

Additionally, the company initiated efforts to integrate data from its global operations across 43 countries and 75 facilities. Improving data quality will enable Caldic to refine its ESG-related objectives and lay the groundwork for third-party verification of key ESG metrics. Enhanced data quality and third-party verification will be crucial as the company prepares to meet the European Union's Corporate Sustainability Reporting Directive (CSRD) requirements, including a double materiality assessment.

To monitor progress against ESG priorities, Caldic established a global ESG Steering Committee (SteerCo). This committee meets monthly to review objectives and assess

progress against the ESG strategic roadmap. Working closely with Caldic's senior leadership team, SteerCo will continue to monitor results and prioritize sustainability-related activities across the business.

By 2023, leveraging our global network and expertise in the chemicals industry, we further extended the company's footprint by merging Caldic with Asia-Pacific-focused Connell. This merger compounds the importance of integrating sustainability programs. The combined company operates under the Caldic name, employs nearly 4,000 workers as of 2023, and has emerged as one of the world's top three specialty chemical distributors.



CARVE-OUT DEALS BUILDING NEW COMPANIES

Across industries and geographies, Advent's collective wealth of experience in establishing new companies and positioning them for success enables deal teams and new leaders to execute new deals and investment theses confidently and quickly.





CARVE-OUT DEALS BUILDING NEW COMPANIES

In recent years, our teams have demonstrated the importance of ESG as a critical enabler in standing up successful new businesses.

Several of Advent's current investments are successful standalone businesses it has built from carve-outs from large global companies. Establishing strong corporate governance capable of managing the financial opportunities and risks that environmental, social, and governance considerations present is a key priority. Advent's team has led the unlocking of growth opportunities in carve-outs from global leaders such as GE, Sanofi and thyssenkrupp AG.

Advent will continue to strive to create global leaders by playing to our strengths: building teams of industry experts to help management execute ambitious value-creation plans and professionalizing governance and operational capabilities so that carve-outs can flourish as a new business.



70
carve-outs
globally

“ ”

We believe that our collective carve-out experience, vision and support helps create scaled, diversified platforms poised to capitalize on significant market opportunities.

John Maldonado
Managing Partner, Advent International



FOCUS ON ZENTIVA

As global pharmaceutical companies focus on innovative new treatments, they are increasingly divesting non-core businesses accumulated through years of mergers and acquisitions. In 2018, Advent acquired Sanofi's generic pharmaceutical business, Zentiva. Since then, Advent has executed a plan to build Zentiva into a leading European low-cost medicines business, meeting pan-European demand for generic medicines and expanding its product portfolio into specialty and over-the-counter medicines.

Advent has more than 25 years of experience investing in the healthcare sector globally. Its investment in the business brought fresh energy and resources to Zentiva and allowed the company to chart an exciting independent path forward. Working with the company's talented workforce and management team, Advent invested in establishing the company's standalone operations, production facilities and research and development (R&D) pipeline, and energized its success-driven and patient-oriented culture.

Zentiva created a new corporate mission tailored to its specific role in the healthcare value chain:

Our mission is to ensure the supply of high-quality, affordable medicines to people who depend on them every day. We do that in a sustainable way.

In keeping with this mission, Zentiva focused on operational efficiencies and renewable energy use. Innovative approaches to workforce representation and community engagement have been important initiatives. The company started measuring its key sustainability-related performance indicators in renewable energy,

GHG emissions, health and safety, and other dimensions across its geographically dispersed locations. Assessments are carried out regularly to track progress and identify opportunities for further improvement. The sustainability objectives are now embedded into the company's strategy and KPIs.

By the end of 2023, Zentiva operated in 35 countries, employing over 4,900 people and supplying high-quality and affordable medicines to over 100 million people in Europe.

Developing a sustainability strategy was essential to establishing a reputation for the newly independent company as an innovative and inclusive employer. For a 2022 engagement survey, 93 percent of employees participated, and nine out of ten reported being proud to work at the company. Through the employee engagement survey, the company gathered more than 12,000 comments from its team members, and these have been key inputs for the Leadership team. Responding to feedback and input has helped Zentiva win awards as a great place to work in the Czech Republic, Romania, Italy, Poland,

Slovakia, Serbia, Portugal and the UK, as of 2023. Strong employee engagement indicates that the culture is aligned with the company's mission to supply medicines in a sustainable way.

Zentiva demonstrated the importance of its mission in its response to the Covid-19 pandemic. During that time, the company was able to supply critical medicines in an affordable, sustainable way and galvanized its employees and supply chain to increase production of the most needed products by up to 300 percent. The company continues to be responsive to the expectations of customers, who are increasingly focused on sustainability and ESG issues, as part of its drive for value creation.

Care for the environment is as important to Zentiva as its workforce and patients. Three out of four manufacturing sites owned by Zentiva have been entirely powered by renewable energy sources since 2021, and planning is underway for a fourth. In 2023, Zentiva completed the 'Prague Solar Campus Project', one of the largest rooftop solar initiatives ever executed in the Czech Republic. The company

also made significant strides with green energy usage at its site in India, with renewable energy reaching 60 percent of total consumption. As part of its commitment to sustainability, Zentiva has also initiated a plan aimed at standardizing packaging size and eliminating single-use plastic materials across its operations while reducing the waste produced at its manufacturing sites. Zentiva's ambitious objective is to achieve zero landfill waste by 2030. Remarkably, this target has already been met ahead of schedule at one of its European manufacturing facilities.

The successful embedding of Zentiva's operational and sustainability-related governance programs is evidenced by its strong performance in sustainability assessments, such as S&P's corporate sustainability assessment, where it placed in the top 16 percent of its peer group in 2023, and EcoVadis. The company pursues these assessments to gauge its progress on the issues that matter most to its stakeholders, underpinning its reputation as an excellent business partner to its customers and throughout its value chain.

ZERO
Zentiva's
ambitious objective
is to achieve
zero landfill waste
by 2030





FOCUS ON TK ELEVATOR

The global industrials sector continues to grow, with major investments in infrastructure and onshoring, including in commercial aerospace, utilities infrastructure, residential construction, and shipping companies. Trends such as urbanization, aging populations, integration of technology, and increased demand for energy efficiency are expected to lead to advantages for companies that can streamline their operations, manage supply chain disruptions, and bring innovative solutions to the market.

In 2020, Advent's German industrials team, with more than 30 years of experience investing in this sector, identified ways these macro-level changes could create opportunities for the thyssenkrupp Elevator (TKE) business division of thyssenkrupp AG. TKE is a leading global provider of elevators, escalators, and other innovative passenger transportation solutions to customers in more than 100 countries worldwide.

Advent and its co-sponsors, Cinven and RAG-Stiftung, among others, as well as TKE leadership, recognize that long term, by 2050, more than two-thirds of the world's population will live in cities. This continued shift to urbanization will change competitive dynamics. In 2050, 1.6 billion people are expected to be aged 65 and older. As cities continue growing and infrastructure becomes more complex, it will be important to meet the challenges and seize the opportunities of rapid concentration in cities by providing safe, seamless, and sustainable urban mobility solutions, appropriately modified so aging people can

lead healthy, active lives. Technology and data solutions enable us to move faster and more intelligently. Elevators, escalators, and moving walkways are morphing into smart mobility solutions that improve the user experience by maximizing safety, efficiency, and performance. As the industry evolves, company leadership is convinced that economic success and sustainability are inextricably linked: in order for the company to continue growth globally, it is essential to consider the social, economic, and environmental dimensions of its operations and value chain.

TKE is working towards the clear strategic vision of continued growth through innovative product development, R&D and international expansion. The Advent team in Germany has decades of experience working with German industrial companies that are co-determined and attach great importance to collaborating with employee representative bodies. With access to our deep expertise in the industrial and business services sectors, along with our global platform, Advent supported TKE in building out its own programs and systems to manage ESG issues across 1,000 locations worldwide.

ESG has been a critical value-creation lever for TKE. Developing a company-wide business system with a lean organization support model, emphasizing Service and Modernization growth, a resilient supply chain, and world-class manufacturing, supported by a leading sustainability program, have been essential underpinnings of the growth strategy.

EOX

EOX Renew helps make buildings accessible for everyone, including older residents or those with disabilities





TK ELEVATOR continued



We are part of the solution to enable sustainable urban mobility. We believe that it's vital for us to advance our strategy of creating sustainable value and have a transparent dialogue about our important journey.

Uday Yadav
CEO, TK Elevator

Leadership recognized that strong, consistent global governance policies and practices were essential to operational excellence and risk mitigation. Managing and measuring environmental impacts of resources and raw materials consumption, manufacturing, logistics, and maintenance services enables the company to identify improvement opportunities and potential risks. A strong safety performance profile is financially prudent and a top priority for the global workforce, as well as for business partners. The investor coalition has partnered with TKE leadership and employees to reestablish and embed core policies, programs and processes to support performance identity brand and market recognition.

Advent believes TKE's high standards around governance and compliance are the foundation for responsibly creating value on a long-term basis.

To invigorate future growth, TKE has reinforced its focus on bringing new innovative solutions to market for targeted customer segments. As a result, the group launched its new eco-efficient and natively digital elevator platform, EOX, across Europe, North America, and Brazil. EOX also feeds its continuously growing service base, which increased to more than 1.5 million units under maintenance in the 2022/23 financial year.

Parallel to the regional roll-out, TKE introduced a highly flexible EOX-based refurbishment and modernization solution, EOX Renew. This solution brings premium digital and sustainability features to existing, older

buildings. It helps make buildings accessible for everyone, including older residents or those with disabilities, while considerably increasing value for building owners.

The group's commitment to sustainability is reflected in its impressive ESG ratings. In addition to being awarded an A rating by the renowned CDP organization in 2022 for the third time in a row, TKE again topped the global machinery industry in Sustainalytics' global ESG rating in July 2023 for the second time running.

Since Advent's investment, TKE has advanced the maturity of its sustainability programs, published two GRI-aligned sustainability reports in support of transparent stakeholder communications, in addition to disclosures according to TCFD, SASB and the UN SDGs. Key performance indicators measured consistently at sites globally show trends in the right direction and have yielded both cost savings and efficiency gains.



TKE

is working towards
the clear strategic
vision of continued
growth through
innovative product
development



INSIDE ADVENT

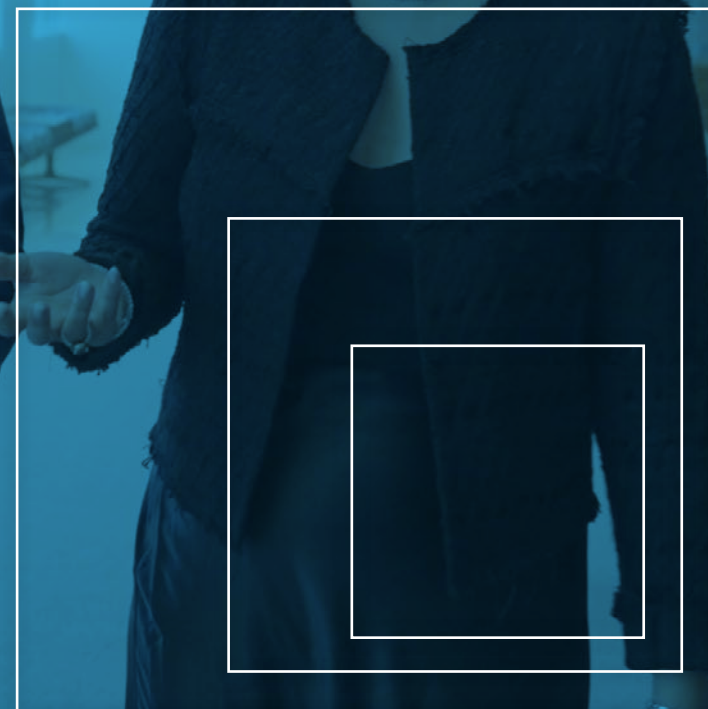
The Advent global team has always been driven by a culture of continuous improvement. We strive to create a lasting positive impact across all our offices, within our portfolio companies, and in the communities in which we operate.

Our combination of sub-sector expertise, global collaboration, resource-intensive approach and angle development has allowed us to unlock exciting opportunities across different sectors, geographies, deal types, and deal sizes. Alongside which, our approach to ESG continues to be rooted in value creation and preservation.

We have implemented rigorous ESG oversight, launching a Global ESG Committee and Regional ESG Committees. As responsible investors, transparency and communication are fundamental to our financial integrity and continued success.

Our foundation lies in strong partnerships, which is why we prioritize recruiting and developing a new, diverse generation of talent, for a new world of work. A strength in partnership extends to working with our private equity peers and other stakeholders to understand best practices on issues ranging from employee ownership to climate change and decarbonization to biodiversity and community engagement.

We are committed to working closely with our portfolio companies to meet their decarbonization objectives.





SUSTAINABILITY APPROACH

As we continue to advance Advent's approach to embedding sustainability in value creation, we have developed a robust oversight structure to support ongoing implementation, execution, and communication efforts.



At Advent, we are focused on building a climate change strategy that is tangible, actionable, and rooted in value creation.

James Brocklebank
Managing Partner,
Advent International



OVERSIGHT

Advent's Global Committee, represented by Senior Management, Regional Deal Team Partners and the Global Head of ESG, aligns in setting the strategic direction of ESG within the firm and ensures global consistency.

Additionally, we have established four operational Regional Committees that bring together different functions from across the firm, to promote collaboration and advance resources to support the operational excellence agendas of our deal teams and portfolio companies.

Furthermore, thematic cross-regional subcommittees have been formed to focus efforts on key areas such as Active Ownership, Education and Training, and Sourcing and Due Diligence. These subcommittees facilitate collaboration, share best practices, and streamline processes to drive effectiveness and efficiency in our ESG practices.

CLIMATE STRATEGY


The business case for reducing GHG emissions has become increasingly apparent. Now more than ever, Advent's portfolio companies must incorporate climate considerations to secure their supply chain, optimize manufacturing or service delivery, and meet expectations of customers, employees, and regulators alike.

In 2023, Advent launched its climate strategy, focusing on value creation through decarbonization. Through this initiative, we assist select portfolio companies in measuring their carbon footprints, identifying emissions reduction opportunities, and crafting tailored strategies aligned with their respective sectors, business models, and value creation plans.

These efforts include a range of initiatives, from optimizing logistics and implementing energy efficiency programs to exploring market expansions and new product offerings. The underlying objective of all, however, is to simultaneously reduce operational expenses and enhance the company's growth.

Advent also continues to provide resources such as climate expertise, access to third-party advisors, and tools like our decarbonization playbook. These resources aim to support portfolio companies in integrating climate and GHG emissions management into their corporate strategy and value creation initiatives.

As part of our continued commitment to emissions reduction efforts, in connection with our chairmanship of the Private Equity Taskforce of the Sustainability Markets Initiative (PESMIT), Advent co-sponsored and launched the Private Markets Decarbonization Roadmap (PMDR) in 2023. This initiative was a collaboration between PESMIT, HarbourVest, in their chairmanship of Initiative Climate International (iCI), and with the support of Bain & Company.

The PMDR was created to provide a common language for GPs and LPs to transparently communicate the status of portfolio companies' climate efforts, as well as comprehensive guidance for implementation. 





ADVENT LEADERSHIP ACADEMY

Since its creation in 2021, the Advent Leadership Academy (ALA) has been a significant collaboration between Advent and Harvard Business School (HBS), aimed at cultivating the next generation of high-potential and diverse leaders from within Advent's portfolio companies.



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With the ALA, we impact real people's lives and help them become better managers. Hearing participants say the experience has been life-changing or given them a confidence they had never had has been extremely rewarding.

Lisa Westley
Managing Director,
Advent International



The ALA offers a tailored executive education program delivered by one of the world's leading business schools, providing participants with invaluable insights into evolving business issues and equipping them with tools to excel in their careers. For many, this opportunity has been personally and professionally transformative.

Initially focusing on high-potential leaders from diverse backgrounds within Advent's North American portfolio companies, the program quickly expanded to include

exceptional talent from across the Americas, with a European cohort introduced in 2022. With approximately 200 graduates since its inception, the ALA remains a central pillar of Advent's commitment to enhancing diversity and inclusion within its portfolio.

To ensure continued connectivity, collaboration, and knowledge-sharing among these future leaders, we maintain an active and expanding professionally-managed alum community.



CULTIVATING INCLUSION

As part of Advent's ethos, we believe success means equality of opportunity for all our people. We strive to cultivate an inclusive environment that embraces diversity in backgrounds, experiences, ideas, and perspective, through firm wide celebrations, speaker series, regular newsletters, and global employee engagement surveys.

Strengthening diversity initiatives across all underrepresented groups demonstrates our dedication to Advent's most important asset – our employees. This, we believe, makes us more competitive and better investors.

INTERNAL AFFINITY GROUPS



Advent Asian Alliance was established to create an inclusive community to shine a light on the experiences of the global Asian and Pacific Islander community, facilitate discussion, raise awareness, and celebrate Asian culture.



Asian American and Pacific Islander (AAPI) Heritage Month Event co-hosted by Advent and Ropes & Gray in New York.



Designed to celebrate the cultures, contributions, and resilience of Latin, Hispanic and Latin-identified communities, Latin@Advent is our newest Affinity Group.

The LATAM team held a leadership event attended by 46 women from Advent and senior leadership of our portfolio companies.



Advent Unite was established to facilitate networking, advocacy, and recruiting amongst LGBTQ+ employees and allies.



The London office hosted a Summer Pride event in partnership with Out Investors, alongside Ares, CVC, ICG and Permira.



Women's Inclusion Network (WIN) focuses on fostering an inclusive community for women at Advent and women in the PE community. In 2023, our committees organized in-person celebrations, informative panel discussions, and mentoring schemes.

Advent Women's Leadership Dinner in Boston.





INDUSTRY INITIATIVES

Advent believes that private equity has a unique role to play as responsible investors.

As part of our commitments to our stakeholders, we have participated in a range of industry collaborations, from fostering diversity in private equity to playing a thoughtful role in industry-leading bodies on initiatives focused on industry best practices and sustainability efforts.

ADVANCING RECRUITMENT

When considering partnerships, we have done so with the absolute conviction that the industry becomes stronger as a result, not merely more diverse. In 2023, Advent managed its recruitment programs in partnership with external organizations including the Institutional Limited Partners Association (ILPA)'s Diversity in Action Initiative, Black Women in Asset Management, BLK, Out for Undergrad, Out Investors, MLT, Girls Who Invest, Council for Black Leaders in Finance, WinPE, and Level 20, among others.




INDUSTRY COLLABORATIONS

Advent is a signatory to the UN Principles for Responsible Investment and a longstanding member of multiple industry bodies that support responsible investing, including Initiative Climate International, the British Private Equity & Venture Capital Association, the Latin American Venture Capital Association, and Invest Europe, among others. In 2023, Advent joined Ownership Works, a non-profit focused on implementing broad-based employee ownership in portfolio companies.



SUSTAINABILITY EFFORTS

We are committed to playing a leading role as our industry develops thoughtful approaches to critical sustainability issues. Through Advent's chairmanship of the Private Equity Task Force of the Sustainable Markets Initiative ("PESMIT"), we continued to participate in this dynamic group that is shaping the thinking around issues, such as climate and biodiversity in the investment process, which affect the long-term prospects for our companies, our firm, and society. In 2023, PESMIT published three reports  that provide practical guidance for private equity investors and portfolio companies in key areas: valuing carbon, biodiversity, and ESG metrics.



 [Valuing Carbon in Private Markets](#)

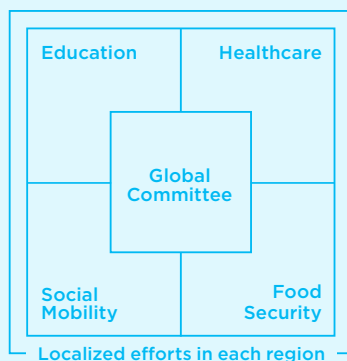
 [Nature Positive: The Next Horizon for Investors](#)

 [ESG Metrics in Private Equity](#)



GLOBAL CITIZENSHIP

A vital component of Advent's culture is the way in which our teams engage with and contribute to the communities in which we operate. Our Global Citizenship approach enables localized efforts within each office, contributing to a global impact across our four core pillars.



In 2023, we were proud to increase our donation matching scheme, to support our employees in creating a greater impact on the different local and global causes we support.

As we look to 2024 and enter Advent's fortieth anniversary, we have developed a #40DaysOfGivingBack campaign, to celebrate and reinforce our belief of supporting good causes and our local communities.



During the winter season, the Boston team volunteered with Cradles to Crayons, a nonprofit leading the movement to end clothing insecurity for 20 million children.



Our London team are supporting under-represented students and offering advice on taking those next big steps towards their future career.

Our New York team helps out at God's Love We Deliver, a charity that provides meals to people who are too sick to shop or cook for themselves.



+40
charities
supported
in 2023



In LATAM, we held a Private Equity Preparation (PEP) course for university students from under-represented groups.



GLOSSARY OF FREQUENTLY USED ABBREVIATIONS & TERMS

BOD	Board of Directors
CIO	Chief Information Officer
CISO	Chief Information Security Officer
CSA	Corporate Sustainability Assessment
ESG	Environment(al), Social, Governance
GHGs	Greenhouse gases. Gases that trap heat in the atmosphere are called greenhouse gases. ¹ These include carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O) and fluorinated gasses. Each of these gasses has a different “warming potential” effect in the atmosphere. As a result, GHGs are measured most commonly in terms of the “CO ₂ -equivalent” (CO ₂ -e) warming potential so the collective effects of the gasses emitted can be measured in a single unit of measure, for comparability. ² For example, according to the UN Framework Convention on Climate Change (UNFCCC), methane (CH ₄) has a global warming potential that is 56 times that of CO ₂ over the first 20 years in the atmosphere. For the same time horizon, nitrous oxide (N ₂ O) has a warming potential 280 times that of CO ₂ . ³
GHG Emissions Inventory	A greenhouse gas (GHG) inventory is a list of emission sources and the associated emissions quantified using standardized methods. Corporate GHG inventories quantify the amount of GHGs a company emits into the atmosphere, typically over a calendar year, and are critical management tools for companies of all sizes and sectors. GHG emissions associated with company activities are classified as being: Scope 1: Direct emissions Scope 2: Indirect emissions Scope 3: Emissions resulting from activities and assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.

GRI	Global Reporting Initiative
Net zero	Net zero refers to balancing the amount of emitted greenhouse gases with the equivalent emissions that are either offset or sequestered. Corporate net zero goals usually entail reduction of GHG emissions as far as possible and then ‘offsetting’ the remainder with projects or activities (or carbon offset credits from these projects or activities) that carbon from the atmosphere, such as carbon sequestration in forestry projects. ⁴
NGO	Non-Governmental Organizations
SASB	Sustainable Accounting Standards Board
SBTi	Science Based Targets initiative
Scope 1, 2, 3 GHG Emissions	See GHG Emissions Inventory
SME	Small and medium enterprises
TCFD	Task Force on Climate-Related Financial Disclosures
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals

¹ <https://www.epa.gov/ghgemissions/overview-greenhouse-gases>

² <https://www3.epa.gov/carbon-footprint-calculator/tool/definitions/co2e.html>

³ <https://unfccc.int/process/transparency-and-reporting/greenhouse-gas-data/greenhouse-gas-data-unfccc/global-warming-potentials>

⁴ <https://netzeroclimate.org/what-is-net-zero/>

