



Advent Responsible Investment Policy

JULY 2024

Advent's commitment to responsible investment is rooted in our belief that, beyond improving financial performance, managing environmental, social and governance (ESG) risks and opportunities well improves our companies' accountability to their stakeholders, reduces systemic risks and uncovers opportunities created by shifting global conditions and markets.

As the role of business in society continues to evolve, we believe our focus on responsible investment drives positive change as well as improved performance for our firm and our investments. Advent's commitment to our employees, portfolio companies, investors and the broader community reflects this conviction. Advent is committed to making our firm and our portfolio companies stronger by promoting experienced, diverse perspectives in decision-making inside our firm and across our portfolio companies. We are dedicated to strengthening awareness of the way sustainability-related topics can affect competitiveness and results globally across Advent's offices, within our portfolio companies, and in the communities in which we operate. Advent's approach to citizenship reflects our commitment to global society.

We believe a well-executed ESG strategy results in meaningful dialogue and transparent communication with stakeholders, a strong compliance record, lower social and environmental impacts, as well as value creation and risk reduction.

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POLICY STATEMENT & SCOPE

This Responsible Investment Policy ("RI Policy") articulates Advent's approach to managing environmental, social and governance (ESG) risks and opportunities in the investments that we make and to the importance of these issues across our firm.

For Advent, ESG risks and opportunities are those which could cause an actual or a potential material positive or negative impact on the financial value of an investment ("ESG factors" or "sustainability factors"). These include climate-related risks and opportunities, which Advent considers as part of its overall approach to managing ESG risks and opportunities in the investments we make.

This RI Policy applies to Advent when assessing and managing sustainability factors in connection with its investment activities. This assessment informs our approach to stewardship throughout the lifecycle of the investments. We are a signatory of the United Nations-supported Principles for Responsible Investment (PRI).

Advent may consider one or more ESG factors across the lifecycle of an investment, including Advent's stewardship during ownership. ESG factors form one component of Advent's investment approach, are driven by prioritizing material topics, and could include:

Environmental

- Climate Change
- Waste
- Water
- Greenhouse gas (GHG) emissions
- Biodiversity
- Responsible consumption

Social

- Diversity & Inclusion
- Health and Safety
- Labour standards
- Supply chain management
- Customer privacy
- Human rights (incl. child labour and modern slavery)
- Quality
- Customer safety

Governance

- Board composition
- Cybersecurity
- Risk management
- Conflicts of interest
- Business ethics
- Whistleblowing
- Grievance mechanisms

Recognizing and managing ESG performance is essential to appropriate risk management and strategic success, in every industry and every geography, in keeping with our fiduciary obligations. In our majority investments, we partner with management teams to

build successful companies for the future. Where we own a minority share, we screen for certain ESG factors, and the way target companies manage them. We aim to promote responsible management where possible. Advent's approach to responsible investment continues to evolve. We will review this policy and related commitments on a regular basis.

IMPLEMENTATION APPROACH

Advent believes that strong corporate governance, including identifying, measuring and monitoring social and environmental impacts, is essential to the financial integrity and success of our portfolio companies. It is important for our portfolio companies to operate in accordance with applicable legal and regulatory requirements as well as ethical standards to promote compliance with international law, codes or guidelines. We encourage portfolio companies to have appropriate social and environmental policies and programs in place to manage the issues that are most relevant for their business and location. Our structured approach, described below, is designed to ensure we can assess the maturity and support the development of each portfolio company's ESG programs through our ownership period.

SOURCING & DILIGENCE

Advent sources, identifies and targets compelling investment opportunities through a disciplined origination process. We employ strict diligence standards, including targeted environmental, social and governance diligence, to ensure alignment with Advent's investment thesis, value creation approach, and stewardship commitment for the long term. Advent does not take an exclusions-based approach to our investments. We have mechanisms in place that enable investors exclude themselves from certain investments based on their own specific investment criteria. Advent does not invest in certain companies whose missions are incompatible with our values as outlined in fund documents.

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Advent believes it is important to consider long term trends in the global economy even if the time horizon for these trends is not yet known or may be beyond our typical investment time horizon.

- For all potential investments, Advent engages with external consultants to perform an ESG screen as part of the due diligence process. Diligence screens include potential quantitative and qualitative ESG risks based on recognized industry-specific sets of potentially material issues such as those from SASB and GRI, which include topics such as GHG emissions and reduction approach, human rights and community relations,

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workforce health and safety, supply chain, product design and lifecycle management, business model resilience and business ethics, among others.

- Additional diligence is performed by external experts for certain specifically identified ESG factors on select transactions, such as cybersecurity and supply chain, as applicable.
- For all potential investments, we use a standardized third-party global approach to legal and risk management diligence, including anti-corruption, economic sanctions, anti-money-laundering (AML), legal and insurance issues.

Investment decisions are determined over a series of investment advisory committee meetings where risks and opportunities, including sustainability factors, are thoroughly assessed and are made by consensus. We work with our portfolio companies to integrate ESG factors into the investment thesis, value creation plan and operational improvements, where appropriate, so that oversight and management can be in place during our ownership phase. Advent has a firm-wide conflicts of interest policy that applies to all business relationships and investments.

OWNERSHIP

At Advent our objective is to build and position companies for long-term success. We believe this includes stewardship and managing ESG risks and opportunities well will be a key component of this objective. This is why, after deal closing, we engage third-party experts to conduct post-acquisition ESG reviews to formally identify and prioritize company-specific ESG material factors, mapping applicable sector-level guidance with company-specific perspective to recommend actions on a company-by-company basis, as appropriate. In prioritizing ESG factors, Advent takes into consideration the GRI and SASB definitions of materiality, considerations from our investors and those of wider stakeholders, where appropriate. The output from these reviews serves as a baseline for our ESG profile and informs board oversight over material ESG factors as well as our regular reports to Advent's limited partners.

During our active ownership, we assist our portfolio companies in adopting appropriate corporate governance procedures, taking into consideration established best practices as well as local legal and regulatory requirements. We work in close partnership with our portfolio companies' management teams and typically play an active role on their boards of directors as well as on audit, compensation, and other committees.

Our sustainability platform enables select portfolio companies to build out policies and processes to strengthen core dimensions of their business strategy and ESG programs, such as environment, cybersecurity, social and supply chain. We empower

our portfolio company senior management teams to drive change and make operational and strategic improvements including, where most material to their business and in support of their value creation plans, one or more of:

- identifying and managing environmental, health and safety risks;
- assessing their environmental impacts, as well as climate-related risks and opportunities;
- attracting, retaining and developing talent, by fostering diversity, equity and inclusion
- to contribute to future success and maintain positive employee engagement;
- giving back to the communities in which they operate and developing their human capital;
- maintaining a reputation for being a partner of choice;
- communicating well with a broad range of stakeholders, including customers, suppliers, employees, communities and policymakers;
- complying with increasingly complex and stringent regulatory and legal requirements in all geographies; and
- working collaboratively with relevant stakeholder groups to advance common objectives and best practice.

The stewardship tools and activities used across the organization include use of ESG assessment frameworks, collection of key ESG metrics, establishment of baseline GHG footprints and access to ESG expertise via external Operations Advisors available to coach company personnel, training, knowledge-sharing summits, cross-industry collaboration on white papers, regional and global ESG committees.

We also regularly engage with our stakeholders, including limited partners, industry bodies, and peers. As applicable, ESG matters are discussed at board meetings, annual investor meetings, and Limited Partner Advisory Committee (LPAC) meetings.

REALIZING VALUE AT EXIT

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. Our investment plans include tracking success and preparing our investments for subsequent ownership, whether through public markets or by private investors, by working to establish good governance practices, an ethical culture and good environmental and social performance. Advent engages external advisors, when appropriate, to perform vendor due diligence, which addresses various ESG factors as part of the exit process.

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OVERSIGHT & RESPONSIBILITY

Responsibility for embedding ESG is shared across the organization. Our global ESG team oversees the development and integration of Advent's ESG strategy and provides subject matter expertise.

Resources are made available to support deal teams and help portfolio companies develop appropriate policies, processes and metrics to implement the best programs for their companies.

Taking account of environmental, social and governance factors that may inform investment decisions is initially the role of the applicable Investment Advisory Committee and, subsequently, the Investment Committee as they consider risks and opportunities. Material ESG factors are embedded in the value creation plan, as appropriate, before any recommendations to invest are made.

During our ownership, portfolio companies are responsible for ensuring their ESG initiatives are implemented, operationalized, monitored and reported to the boards of directors. Advent representatives generally participate in portfolio company boards and deal teams communicate ESG topics within Advent's sectors and regional leadership. We track certain metrics to gauge success in risk reduction, value creation, and improvement on environmental and social factors. Members of Advent's senior management oversee, and are ultimately responsible for, ensuring Advent's approach to Responsible Investment is implemented, executed and communicated transparently.

TRANSPARENCY, DISCLOSURE & REPORTING

Advent's reporting is designed to enable our investors and others to understand how we assess and manage sustainability factors in our portfolio companies and to demonstrate progress companies are making.

Responding to our investors' inquiries and areas of focus is an important dimension of stakeholder engagement and informs our approach to disclosure and reporting.

At Advent we believe regular reporting on ESG programs and metrics is important to inform our investors and other stakeholders and to promote sustainability-awareness within Advent's culture. In addition to our annual meeting, we provide investors a twice-yearly ESG Portfolio Company Report that summarizes updated information about key ESG topics for the portfolio companies in our most recent funds. Our public website includes information on responsible investment, diversity, equity and inclusion, as well as our ESG Overview Reports which describe Advent's approach to ESG and highlight selected portfolio companies' innovative approaches to managing ESG-related issues.