



ENVIRONMENTAL SOCIAL & GOVERNANCE

OVERVIEW

Advent International
GLOBAL PRIVATE EQUITY

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Front cover image: Iguacu National Park, Grupo Cataratas, a LAPEF portfolio company. Photo by Marcelo Krause.

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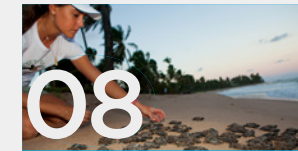
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MESSAGE FROM OUR PARTNERS

Ensuring a healthy future for our portfolio companies is at the heart of our strategic investment approach.



Achieving sustained revenue and earnings growth, uncovering opportunities, unlocking value, realizing potential, strong execution; these are the cornerstones of our operationally-intensive, sector-focused investment strategy.

OUR PROCESS

Advent has long implemented a rigorous, sophisticated and disciplined investment process which we believe fully leverages our regional footprint, sector focus and operating expertise to deliver attractive absolute returns. Exceptional relationships that work as true partnerships with a shared sense of ownership catalyze the growth and success we create. This is why we partner with management teams to build successful companies for the future. With our portfolio companies, we build long-term value through revenue growth, profit improvement and acquisitions.

OUR INVESTMENT PHILOSOPHY

Advent's investment philosophy is centered on responsible investing, managing risk and creating and protecting value for our investors and our portfolio companies.

Core to our investment approach is our belief that active identification and appropriate management of Environmental, Social and Governance ("ESG") issues are fundamental to risk management, operational excellence and ultimately value creation.

Therefore, elements of ESG are embedded throughout our investment process:

- Deal screening and due diligence;
- Active ownership;
- Through to exit

STRONG GOVERNANCE PARTNERSHIPS

In Advent's experience, value is created through operational expertise rather than financial engineering. The strong governance partnership that lies at the heart of our value creation plans must also address managing environmental impacts, respecting communities and human capital, and enhancing corporate governance through expertise, processes and culture.

We are active partners with our portfolio companies, working closely with high-quality management teams and supporting them with our operational experience, insights and deep sector knowledge. Through our active ownership phase, we work together to realize excellence in our portfolio companies.

OUR COMMITMENT

This Overview reflects Advent's active approach to value creation and illustrates our commitment to integrating ESG throughout the investment process.

The Advent Partners

OUR GLOBAL APPROACH

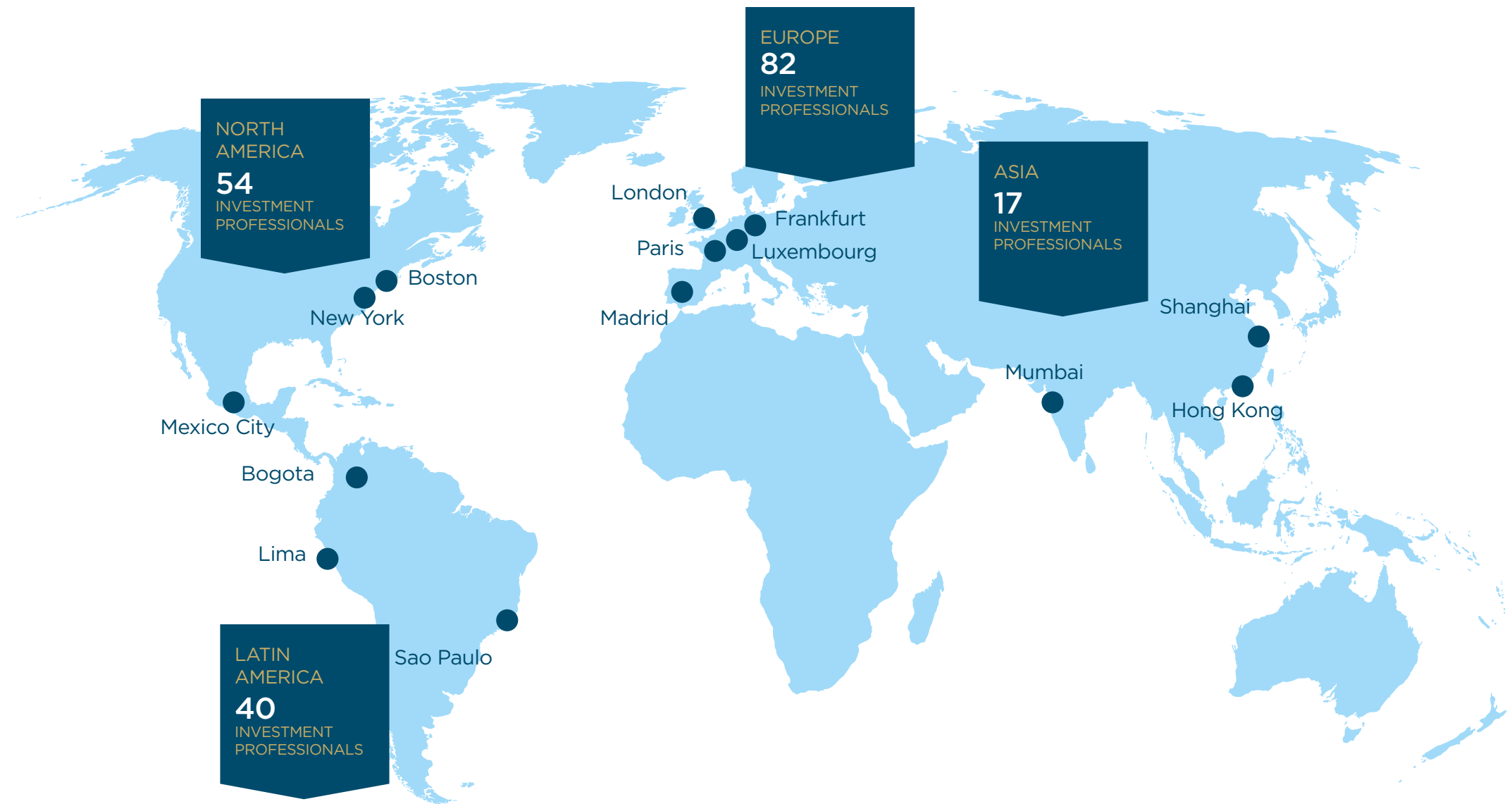
Being a responsible investor means managing risk, respecting communities, transparently communicating and creating value through operational excellence.

Advent's approach to addressing ESG aspects of each company's performance is evolving with time, as evidence of the value of managing these risks becomes ever more apparent.

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

Our Principles document outlines the ESG values that underlie our operational objectives for our portfolio companies. This ESG report is designed to provide insight into our approach to ESG and a snapshot of various ESG initiatives within our portfolio.

This enables us to see improvement opportunities, successes and best practices we can leverage, share across our portfolio and leverage as governance tools in our toolkit.



14 OFFICES
12 COUNTRIES
4 CONTINENTS

385+
 EMPLOYEES

\$41bn
 ASSETS UNDER MANAGEMENT

190+
 INVESTMENT PROFESSIONALS

340+
 INVESTMENTS ACROSS 41 COUNTRIES

OUR APPROACH TO ESG IN THE INVESTMENT PROCESS

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

Advent's goal with respect to ESG is to ensure that applicable issues are identified during the due diligence process before any recommendations to invest are made. Risks and opportunities are then managed during our ownership period, thereby leaving the company better positioned for an exit from an ESG perspective.

When appropriate, Advent engages external advisors to perform vendor due diligence, which address various ESG considerations as part of the exit process.

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.

As a responsible investor, Advent screens investments for potential non-financial risks in areas such as health and safety, labor relations and the supply chain. We engage with external consultants to perform an ESG screen for all investments as part of the due diligence process.

Anti-corruption, Anti-Money Laundering ("AML"), economic sanctions, legal and insurance due diligence are also a standard part of the diligence process for all new investments. Additional environmental and social 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 are thoroughly assessed, including ESG considerations. Once an investment has been made, we work with the portfolio company to help realize value creation opportunities and successfully manage risks.

ACTIVE OWNERSHIP

At Advent, we view ourselves as good stewards of businesses who build and position companies for long-term success. 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 typically sit on the boards of our portfolio companies as well as on audit, compensation and other committees and work in close partnership with our management teams. We work with our portfolio companies to support them in driving operational and strategic improvements, including identifying and managing environmental, health and safety risks.

We support our portfolio companies' efforts to give back to the communities in which they operate and develop their human capital. We provide guidance and resources to our portfolio companies as they undertake these initiatives under our active ownership model.

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.





ENVIRONMENTAL: MANAGING IMPACTS

Advent partners with our portfolio companies to create companies that are better positioned for the future – including a focus on ESG management for the long term. We recognize that our portfolio companies are becoming subject to increasingly stringent regulation with respect to their impact on air quality, water quality and availability, and waste disposal in all geographies, particularly in developing economies.

Advent portfolio companies implement innovative approaches to operational excellence, using energy efficiently and reducing consumption of natural resources, reducing costs and improving their environmental profile. Companies like Group Cataratas, Bojangles and Noosa have developed creative solutions to protect the ecosystems where they operate.



PRECIOUS ECOSYSTEMS FOR JAGUARS AND SEA TURTLES

Grupo Cataratas has developed various partnership programs to help protect the delicate ecosystems in Brazil.

Cataratas provides ticketing, transportation, parking, retail stores, food and beverage, and other services at several of Brazil's most important national parks. The company serves 3.5 million visitors annually at iconic natural wonders, including Iguazu National Park, the Fernando de Noronha archipelago, the Corcovado Christ the Redeemer statue, AquaRio and the Rio Zoo.

To reverse declines in endangered jaguar and sea turtle populations, Cataratas has partnered with scientists and conservation experts. A new tracking app helps park rangers protect jaguars from illegal hunting in Iguazu. In Fernando de Noronha, Cataratas sponsors the largest sea turtle conservation project on the planet.

Cataratas has successfully transformed doubting stakeholders into conservation partners and environmental challenges into innovative biodiversity models. Community relations in Corcovado have improved. Local farmers in Iguazu can preserve their land. Jaguars are slowly coming back from the brink of extinction, and the sea turtle population is thriving.



REDUCING WASTE

Several Advent portfolio companies have pursued programs focused on reducing waste across the lifecycles of their products.

Bojangles restaurants joined forces with two football teams – the NFL's North Carolina Panthers and the University of Tennessee – to collect waste after football games. In the first season of this program, 2014-2015, Bojangles collected 45.4 tons of waste. This waste was recycled and diverted from being sent to landfill. Bojangles' recycling program continues to partner with these teams in their program.

In partnership with the World Wide Fund for Nature, Grupo Cataratas created a plastic recycling program called "REMOLDA." Residents of Brazilian favelas in Rio de Janeiro run the operation, using a recycling machine to transform plastic waste into miniature Christ the Redeemer statues. The recycled souvenirs are sold in the shops operated by Cataratas, with part of the revenue donated to the community.

45.4 tons

In the first season of this program, 2014-2015, Bojangles collected 45.4 tons of waste.

SPECIES PRESERVATION: BEE POPULATION

Noosa produces Australian-inspired yoghurt, with a rapidly growing national presence and a firm commitment to sustainability.

Honey – the secret to the yoghurt's distinctive taste – comes from Beeyond the Hive, a family-owned Colorado honey company. After in-depth review, Noosa launched the Blooms for Bees Program in collaboration with the Pollinator Partnership, which already has "bee buffers," or sanctuaries, in California and North Carolina. Blooms for Bees will designate small plots of land donated by farmers and plant them with a mix of wildflowers. Starting on the Colorado farm land where Noosa operates and can closely track progress, the campaign will expand to up to 20 sites representing up to 50 acres in Colorado. The company is aiming eventually to achieve a national footprint of bee buffers.

Advent's partnership has allowed us to think about sustainability and innovation in a more macro, longer-term way. We can now go deeper and think bigger.

Koel Thomaes,
Co-founder of Noosa

FOOTNOTE: These Environment, Social and Governance case studies reflect initiatives at selected companies that were owned for all or part of calendar years 2017 and 2018. Note that since January 1, 2017, several of these companies have been divested and noosa has merged with Sovos Brands, a food and beverage company backed by Advent. The divested companies include: Ammeraal Beltech, Party City, and Bojangles (a pending transaction).



SOCIAL: RESPECTING COMMUNITIES AND HUMAN CAPITAL

Company growth and execution of the value creation plan often depend on obtaining community and stakeholder support as well as maintaining a reputation for being a partner of choice. We believe that positive employee relations and the ability to attract, retain and develop talent contribute to the future success of our portfolio companies. As transparency and global communications have increased, community relations and employment conditions for local workforces have increasingly become an area of focus.

COMMUNITY OUTREACH

Culligan International partners with the American Diabetes Association (ADA) to promote hydration and education about the importance of clean water at the ADA's Tour de Cure cycling events.

The newly formed Culligan Cares Committee continues the company's existing philanthropic practices and explores partnerships to promote access to clean water. In addition, Culligan created an interactive website to strengthen communication between stakeholders and the company and publicize the company's activities. Culligan Cares partners with the Water Well Trust a non-profit organization that dig wells for U.S. families living without easy access to safe potable water.



KEEPING WORKERS SAFE

Keeping employees safe and reducing work place accident rates is a priority for Advent portfolio companies. Companies like Viakem and Allnex have reduced their OSHA incident rates far below the average incident rate in their industries and are sharing best practices.

Viakem, a specialty chemicals manufacturer in Mexico, embarked on an intensive Total Quality Control (TQC) program which has led to greater employee engagement and a steady annual reduction in its OSHA incident rates.

Also a specialty chemicals manufacturer, Belgian-based allnex has reduced its OSHA incident rates to below 25 percent of the chemicals industry average. Around the world, allnex applies a systematic, proactive process hazard assessment methodology to its plants. Every location has a scorecard that measures key leading and lagging environmental and safety performance indicators. The timely execution of improvement action items is tracked regularly.

Ammeraal Beltech's (Ammeraal) increased safety awareness program has led, since early 2016, to better organized work areas, a tripling of the reporting of near-misses, and a one-third reduction in the number of accidents resulting in hospitalization.

Ammeraal's executives look to adopt safety strategies from other Advent portfolio companies facing similar challenges. For example, they have been studying how others deal with hydraulic machinery using hot oil.

JOB TRAINING IN THE COMMUNITY

For more than 70 years Crompton Greaves (Crompton) has been a leading Indian manufacturer and marketer of a wide spectrum of consumer products.

Because Crompton manufactures consumer electrical and water appliances which require maintenance and repair over their lifetimes, the company saw an opportunity to provide valuable training. In September 2017, Crompton welcomed 40-50 trainees from the community to their training program, where many Crompton employees are trainers.

Crompton's CSR Committee will track the success of the employment skills programs primarily by measuring the number of people who secure gainful employment after completing the Crompton program.

FIRST WATCH CASE STUDY



First Watch Restaurants, Inc. is the largest and fastest-growing daytime-only restaurant concept in the U.S. with approximately 350 restaurants in over 30 states. The company was founded 35 years ago in Pacific Grove, CA and has won many customer, industry and local awards for best breakfast, most innovative menu, best healthy restaurant, best family restaurant, and others.

The focus on fresh ingredients is essential to First Watch, as is its commitment to providing a homey, relaxing experience for its customers with each table's very own pot of freshly brewed Project Sunrise Coffee, free newspapers, free WiFi and the ability to tailor each meal to the customer's preferences. It's all part of First Watch's You First™ service philosophy – doing whatever it takes to make customers' visits memorable and to keep them coming back for more.

There's growing evidence that consumers look for companies that integrate social and environmental factors into their business plan, and the way we look at it is, it's just good business to do those things.

Chris Tomasso,
CEO & President, First Watch



First Watch contributes 25 cents from every kid's meal sold at every First Watch restaurant to Share Our Strength's No Kid Hungry campaign, year-round.

CHALLENGE

In keeping with its mission statement, First Watch partners with organizations and harnesses its normal business and purchasing practices to benefit quality suppliers investing in their own communities. First Watch contributes 25 cents from every kid's meal sold at every First Watch restaurant to Share Our Strength's No Kid Hungry campaign, year-round. To date, First Watch has donated more than \$1 million to No Kid Hungry, equating to more than 7 million meals for children.

First Watch is proud to partner with family-owned businesses like Compart Family Farms as part of its high-quality supply chain. For four generations, the Compart family has taken pride in farming and has been committed to producing premium Compart Duroc pork labeled products. This focus on quality has helped them grow into one of the largest family-owned swine businesses in the Midwest.

Most recently, First Watch has partnered with an organization called Mujeres en Café – Women in Coffee – to create Project Sunrise, the new First Watch branded coffee. Coffee is the number one product at First Watch and is key to the restaurants' image, brand and customer loyalty. Corporate Chef Shane Schaibly explains it is essential to have a coffee product that pairs well with the breakfast, brunch and lunch foods they serve. Because First Watch is a national chain, they need have a reliable, consistent supply chain and be able to provide the same coffee blend at every restaurant.



In 2017, Schaibly and Sr. Director of Marketing Cari Trimyer traveled to the renowned coffee region of Huila, Colombia to explore creating a new coffee blend for First Watch. The First Watch team found the Mujeres en Café organization in Huila and the balanced, flavorful coffee beans they produce.

Mujeres en Café is a womens-led organization in Colombia for female farmers to navigate the coffee business in a traditionally male dominated society and industry. Many families lost husbands, fathers, brothers and sons during the civil conflict in Colombia over the previous decades. Without male heads of household, these women struggled to continue their family farms and raise their children. Through Mujeres en Café, these women are now collectively becoming a stronger force in the local market, improving their ability to negotiate compensation, and increasing the productivity of their farms and quality of their coffees.

FIRST WATCH CASE STUDY

With Royal Cup's coffee tasters, the First Watch team created a unique coffee that would be consistent at every First Watch restaurant across the U.S. First Watch made a multi-year commitment to source 100 percent of its coffee from Huila, Colombia to consistently produce this perfect coffee: this is Project Sunrise.

STRATEGY – PROJECT SUNRISE

Project Sunrise pays a small premium for the coffee grown on women-owned farms. In addition, Royal Cup has developed a tracking system that enables them to identify the family farms where particular bags of beans originated – so they can pay bonuses to the female farmers whose coffee beans exceed a specified quality threshold. This tracking program is unique in the industry, where coffee beans are generally commodities and most small farmers are not recognized.

The Project Sunrise program and multi-year commitment with First Watch provides these women with income security and enables them to invest in their farms – buying drying houses or better transportation – to make the farms more productive for the long term. The engagement with Royal Cup allows the women to become better educated about what the end consumers of their products value and what kinds of beans are considered highest quality.

For us, it's the bridge we need to be able to start from the beginning, because what we are doing is starting. We are taking off from the ground and we want to continue to rise.

Deryi Pujol Gaviria,
Coffee Farmer, Mujeres en Café

Understanding coffee quality through the eyes of the consumer, which was previously entirely unavailable to the women who simply sold their bags of beans to middlemen at the local marketplace, makes it possible for the women to develop their families' expertise in coffee production in ways that will help their children in the future, as well as earning additional quality bonuses in the short term.

The women in these communities also support their local schools with the money they earn from coffee farming. For various reasons, funding for schools in Huila has been poor, inconsistent, and often unavailable. The coffee farmers send their children and grandchildren to these schools and invest in improving their education. Before Project Sunrise, the San Adolfo school did not even have a calculator or a printer.

RESULT

In 2018, Chef Shane Schaibly and Cari Trimyer returned to Colombia to check in with the farmers in person. They wanted to ensure the program was working well for all involved – the farmers, Royal Cup, and First Watch – and make any needed improvements. They were able to see firsthand the impact the program was having after just one year.

The women were able to invest in improvements in their farming operations due to the small premiums they were paid through the Project Sunrise multi-year program. Through their participation in the Royal Cup quality program, the women gain additional understanding about their buyers, quality preferences and the purchasing decisions. Those farmers whose beans earned the extra quality bonus through Royal Cup's quality standards and source tracking program received bonus checks directly from Cari and Shane. In addition, the First Watch team brought a computer and printer to the San Adolfo school as a donation for the local children.

First Watch's commitment to the relationship with the people of this region and to using their clout as a buyer to improve the lives of the farmers they buy from makes a big impression on the women coffee farmers. They truly appreciate the in-person visits and the personal attention to the things that help the growers achieve their overall goals – such as education their children.

Advent is proud to partner with a company with such a mission to use their power as a business to promote excellent high-quality coffee, support efforts of women farmers to grow and improve, and invest in the community's future.

Our performance and our financial success really is just an outcome of our focus on our mission and our values, and this program is a part of that.

Chris Tomasso,
CEO & President, First Watch



GOVERNANCE: ENHANCEMENT THROUGH EXPERTISE, PROCESSES AND CULTURE

Advent believes that strong corporate governance is essential to the financial integrity and success of our portfolio companies. We understand how important it is for our portfolio companies to operate in accordance with not only legal and regulatory requirements but also ethical business practices.

During due diligence on investment opportunities, we evaluate the governance practices of potential targets and review with prospective management teams their capabilities to appropriately manage risk.

After making an investment we work with our portfolio companies to help them review and evaluate their corporate governance, regulatory compliance and risk management capabilities. All of our portfolio companies are required to have Boards of Directors and to have Anti-Corruption policies and programs. We offer our portfolio companies support to implement best practices in corporate governance as well as in non-financial areas during our ownership period.

Advent focuses on ensuring that our portfolio companies incorporate best practices with regard to risk management and governance, while meeting the highest performance standards. Ocesa and Party City provide good examples of governance best practices within the Advent portfolio.

Becoming a world-class company requires setting a standard for excellence in everything we do, and that includes managing risk proactively.

Luisa Lafaurie,
CEO, Ocesa



MANAGING RISK

Ocesa manages Colombia's largest crude oil pipeline, a critical strategic asset handling about 70 percent of domestic crude production and more than 50 percent of crude exports.

The pipeline spans 836 kilometers between Colombia's Llanos region and the Atlantic Coast and constitutes the backbone of the country's oil transport system.

Ocesa created a comprehensive framework for thinking through all the potential ethical and compliance risks that could arise across its operations - covering everything from bribery and fraud to oil spills and other health, safety and environmental hazards. Given its vital role in safeguarding Colombia's oil flows, Ocesa needs to ensure that its suppliers and vendors match its own policies, including vigilance in vetting and supervising their employees. The company now undertakes stronger due-diligence, and its contracts with suppliers require compliance with Ocesa's policies.

SUPPLY CHAIN GOVERNANCE

Party City Holdings Inc, (Party City) is one of the largest vertically-integrated suppliers of party goods in the world.

Establishing a strong international sourcing model has been key to Party City's success in the USD \$10 billion retail party goods industry, allowing the company to offer a broad range of products and well-recognized brands at attractive prices. Party City takes great pride in being recognized as an ethical retailer and manufacturer. Across the wider organization, with Party City's products available in over 40,000 retail outlets worldwide, as well as in its own retail network of more than 850 permanent superstores and approximately 350 temporary Halloween locations, the large brands, retailers and other companies that work with Party City can feel confident that its products meet or exceed global quality and manufacturing standards in the markets where they are made and sold.

850
permanent
superstores

and approximately
350 temporary
Halloween locations



GOVERNANCE TOOLKIT

Advent's governance toolkit was created to assist our portfolio companies in enhancing their corporate governance. The toolkit provides practical guidance on key topics such as formalizing board structure, designing a suitable code of ethics, adopting appropriate anti-corruption programs and developing appropriate CSR policies.

It contains background materials and guidelines summarizing best practices as well as sample policies that companies can customize to fit their unique needs.

It also serves as the platform for our engagement with our portfolio companies to understand their ESG initiatives.

Working with the governance toolkit and the Advent team was extremely helpful: It was the education, the mentorship and the partnership all built into one.

Kerry Warren,
Chief Financial Officer at Morsco

Members of the risk management and legal teams meet with portfolio company senior management and key stakeholders to understand the current governance and risk management framework, review policies, identify gaps and areas of concern. They discuss appropriate enhancements and additions to the companies' existing infrastructure and share Advent's stable of resources.

The interaction between the portfolio company and the risk and legal teams does not end with the first meeting. Instead, it provides the foundation for opening another line of communication with portfolio companies and another way in which Advent supports them throughout the life of the investment.

The governance toolkit not only puts essential information right at the fingertips of portfolio company executives, it also gives our team at Advent a valuable platform for interacting with portfolio companies on key governance issues and for supporting their ESG initiatives.

David M. Mussafer,
Managing Partner, Advent International

By strengthening corporate governance, risk management and regulatory compliance, Advent hopes to reduce risk, at both the portfolio company and fund levels. The response from portfolio companies has been extremely positive. Senior management views the relationship with Advent as a partnership and appreciates both the resources and worldclass guidance the toolkit provides.

Since its development in 2013, the Advent team has shared the toolkit with 63 portfolio companies spanning all five industry sectors in 20 countries across North America, Europe, Latin America and Asia.

The impact of the toolkit can be seen in the types of initiatives the team has helped companies put in place. These include:

- Providing critical knowledge to assess and build anti-corruption and economic sanctions compliance programs;
- Enhancing risk management frameworks;
- Ensuring adequate insurance coverage to mitigate risk and support growth;
- Leading ESG assessments that identified risks and opportunities and led to subsequent health and safety assessments and the development of new CSR initiatives;
- Identifying CSR objectives such as creating transparency in the supply chain, increasing employee and community engagement and improving energy efficiency and waste management practices.



63
portfolio
companies
20
countries

OUR INTERNAL APPROACH TO ESG



ENVIRONMENTAL IMPACT

As a firm, Advent International is mindful of the impact of our business on the environment and we seek ways to lessen our day-to-day impact.

We strive to use our resources efficiently to reduce cost, manage risk and improve our environmental profile. Like our portfolio companies, we implement innovative approaches to operational excellence, using energy efficiently, reducing consumption of natural resources, and creating environmental benefit where possible.

Within Advent's office locations we continue to seek new opportunities to improve the way we manage our impact on the environment.



SOCIAL CONSIDERATIONS

We appreciate the importance of human capital and seek to create an environment that promotes personal growth and encourages retention.

In 2017, we established a Diversity & Inclusion Committee which is committed to assessing diversity within our Advent team and ensuring our corporate culture fosters the diversity we need. We strive to demonstrate our dedication to our employees in order to create an environment in which our employees feel respected and valued.

Many of our employees are committed to causes which are personally important to them and are independent of their role with Advent. We enthusiastically support the individuals who commit time and resources to these causes. We support those who wish to use their professional skills and experience to benefit non-profit organizations. Below in this report, our employees' core efforts with Partners in Health and other organizations are featured.



GOVERNANCE

We apply a rigorous governance approach not only to our investment process, but also to the management of our firm. Advent International Corporation is registered with, and regulated by, the Securities and Exchange Commission ("SEC") in the United States, and our UK advisory business is registered with and regulated by the Financial Conduct Authority ("FCA").

Advent and its UK advisory business are required to abide by all applicable SEC and FCA rules including those associated with responsible behavior, risk management and transparency.

Each of our investment funds has a dedicated advisory committee of limited partner representatives who meet with us periodically to review the portfolio and monitor important actions. Our funds are supported by dedicated investment advisory committees which are comprised of local partners and at least one partner from another region to ensure consistent application of Advent standards and the sharing of knowledge and best practice. We have a global risk committee and an operational audit committee which manage our operational risks worldwide.



STAKEHOLDER COMMUNICATION

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

For our investors, we provide timely fund financial reports as well as certain information on non-financial matters as required by our fund documents and best practices.

At our annual investor meeting we present and discuss portfolio company progress openly. Our portfolio companies look to us to share best practices and provide tailored support to management as they implement their value creation plans.

SUPPORTING A CULTURE OF DIVERSITY

Advent is committed to promoting diversity and inclusion within our firm and our portfolio companies. We believe diverse organizations make better decisions and recruit stronger teams. Ultimately, a more diverse organization will contribute to creating better returns for our investors.

Moreover, diversity and inclusion is critical to our ability to hire, develop and retain extraordinary people, where everyone thrives and has the opportunity to succeed. We aim to maintain an inclusive environment that values diversity of background, experience, ideas and opinions. Diversity at Advent is embedded in the way we see our future.



BUILDING THE BEST

Advent's Global Diversity & Inclusion (D&I) Committee has been working hard over the last year to increase our internal awareness around D&I. Comprised of male and female representatives from our offices across the world, across various tenures and levels of seniority, the Committee reflects diversity at Advent. Our new approach to D&I at Advent includes a D&I Mission Statement that puts D&I at the heart of the development, recruitment and retention of our people. The implementation of our new approach is organized under four pillars – culture, recruitment, development and retention – which now shape our internal policies and our culture. We will continue to hold ourselves accountable for change on a short-term and long-term basis.

CULTURE

Advent promotes an environment that views D&I objectives through the same lens as any critical business objective. We promote the use of non-stigmatized diversity work policies and benefit programs and an environment where all people feel respected and are treated fairly. Leadership and collaboration around D&I process, internally and externally, is important to Advent's continued success.

RECRUITMENT

We are building diverse global teams for the future, to meet the needs of our employees, to create diversity of thought, especially around our investment decisions, and to connect with a diverse group of portfolio companies, investors and advisors. To do this we need to attract, interview and hire a diverse set of qualified candidates including those in underrepresented groups of all kinds. Interview training and processes support a bias-free and inclusive environment at Advent.



Along with other leaders in the private equity industry, we partner with Sponsors for Education Opportunities (SEO) to educate, develop and provide access for first- and second-year investment banking analysts from underrepresented groups with a strong interest in private equity careers. Through SEO, Advent mentors and trains top underrepresented analysts to compete for coveted positions in private equity and alternative investments.

Advent's Women's Inclusion Network (WIN) in North America is active both internally and externally to increase the number of women applicants to, and employees at, our firm.

Educating young women about opportunities in private equity, we sponsor a panel of current and former Advent employees to discuss real-life questions about working in private equity and balancing personal objectives, such as building a family. Private equity outreach to talented young women aims to demonstrate that our industry is compatible with other life goals and priorities.

In Europe, Advent has also supported Level 20, a non-profit organization established to inspire and encourage more women to join and succeed in the private equity industry since its inception in 2015.

SUPPORTING A CULTURE OF DIVERSITY

DEVELOPMENT

We foster a creative environment that promotes engagement through awareness and training.

Advent is committed to equitable career development and opportunities, bias-free staffing and feedback processes, support via sponsorship, mentorship and networking programs, leadership training and broader diversity training programs. We help managers address and reduce unconscious biases, break down stereotypes and avoid perceived barriers to advancement opportunities for all underrepresented groups.

Elevating the conversation within Advent's culture about attitudes towards D&I, we invited Harvard psychology professor Mahzarin Banaji to speak at our Worldwide Meeting in 2018. Dr. Banaji co-authored the highly acclaimed book *Blindspot: Hidden Biases of Good People* and created an assessment of unconscious bias which has been taken by over 17 million people. Her insights into the power of hidden biases translate into practical applications for addressing diversity and improving decision-making.

Managing diversity in our ranks and at our portfolio companies requires understanding current demographics across several dimensions of diversity: male/female, ethnic and nationality, and LGBTQ representation. We have started gathering metrics to understand the D&I breakdown of our employees, those of our portfolio companies and boards, and our outside advisors: operating partners, operating advisors and industry advisors. Establishing a clear picture of where we are today allows us to see our progress over time, and to hold ourselves accountable.



RETENTION

We are advancing an inclusive environment and culture including industry leading benefit programs and policies that provide all employees a career without limits. Essential elements of these initiatives are pay and promotion equity, inclusive benefit programs for all family structures, genders and sexual orientation, and promoting a working environment that seeks balance in life through commitments to family, community service and outside interests. In keeping with our D&I Mission Statement, we have developed a new global D&I Benefits Program which aims to provide a compelling package of benefits to support work-life balance. To promote well-being in our employees' lives, in addition to making family life compatible with professional advancement, we are exploring ways of incorporating mindfulness and wellness to help our employees balance their lives for long term sustainability.



ADVENT IN THE COMMUNITY

Advent's team culture extends beyond the workplace in the form of a strong commitment to giving back to the communities in which we operate. Supporting the causes our employees care about enables us to attract and retain talented individuals and show our respect and appreciation for them.

Our team members regularly come together to contribute time and resources to benefit non-profit organizations, charities and other philanthropic initiatives. In addition, we collaborate as a firm, across regions and offices, to support Advent-sponsored organizations and charities as a way of giving back and doing our part to better the world around us.

GIVING BACK GLOBALLY: PARTNERS IN HEALTH

Advent is proud to sponsor Partners In Health, or PIH, an international medical organization dedicated to improving health care systems in underserved communities around the world. PIH, like Advent, has a global reach rooted in individuals' dedication to serving their local communities. And, like Advent, PIH thrives on collaboration and shared responsibility.

After the earthquake that devastated Haiti's healthcare system in 2010, PIH rose to meet the challenge, becoming a major provider of medical education and patient care. Moving well beyond its original vision for a small, rural hospital, PIH today is the largest non-government health care provider in Haiti. The organization has expanded its impact to Lesotho, Liberia, Malawi, Mexico, Peru, Russia, Rwanda, Sierra Leone and the Navajo Nation.



TEAMBUILDING AND FUNDRAISING THROUGH REACH THE BEACH

Given our culture of teamwork and deep commitment to our goals, Advent employees chose a difficult endurance race, "Reach the Beach," as a primary method of raising money for PIH.

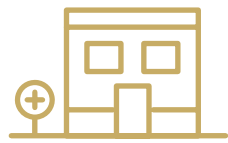
We have participated in "Reach the Beach" raising money for PIH every other year since 2011. We geared up again in 2017 for this non-stop 200-mile overnight endurance team relay from the White Mountains to the coast of New Hampshire. Months of preparation and fundraising culminated with 140 runners, drivers and volunteers from across Advent's offices participating in the physically intense two-day event. Our 11 relay teams completed the course in an average of 30 hours, with each runner completing about 16.5 miles. Team Advent included our own employees as well as representatives from PIH and law firms, investment banks and consultants with whom we work.

The funds Advent has raised over the past several years have been used by PIH to

- Purchase equipment for a 205,000-square-foot, 300-bed, teaching hospital in Mirebalais, Haiti
- Build a maternity ward in a hospital in Malawi
- Support health clinics in Mexico

Our partnership with PIH continues to strengthen year after year as we work together to mitigate health care challenges in many of the geographies in which we operate.

ADVENT IN THE COMMUNITY CASE STUDIES



A child's entire family can be accommodated in the Centre's 255 clean, safe living units during the course of the child's outpatient treatment at Mumbai hospitals.

ST. JUDE INDIA CHILDCARE CENTRES

In India, Advent Mumbai financially supports and participates in activities at St. Jude India ChildCare Centres (St. Jude's) as well as several other efforts aimed at protecting children in need.

St. Jude's provides a home-away-from-home for rural and underprivileged families with children requiring cancer treatment at one of Mumbai's urban medical centers. A child's entire family can be accommodated in the Centre's 255 clean, safe living units during the course of the child's outpatient treatment at Mumbai hospitals. In addition to family living units, St. Jude's provides nutritious meals, playgrounds, activities and a supportive staff. Families are welcome to stay for the duration of their child's treatment, which often lasts for many months.

The Advent team in Mumbai has participated in activities with, and for, the St. Jude children for the past three years. This year, for the first time, the Advent Mumbai team made a full day trip to visit the children at St. Jude's and their families. Because cancer patients' hair often falls out during treatment, the Advent volunteers brought caps for the children as a gift and conducted an art project in which the children could decorate their caps themselves.

The Advent volunteers also gave the children goodie bags full of healthy and hard-to-find foods such as dried fruits and buttermilk biscuits. Additionally, on the day of their visit, the Advent employees surprised the children and their families with a magic show at the Centre.



As part of Advent Mumbai's broader support for children in need, the office also provides financial support to several organizations focused on education and child protection.

The other such recipient organizations are Arpan, Nanhi Kali and Mukhtangan. All of these work towards education, recovery from abuse and protection of extremely disadvantaged urban children, often orphans, who may be vulnerable to violence.

In the darkest time of their lives, many families are fortunate to forge a new community of love and support at St. Jude India Childcare Centres, which offer free-of-cost hygienic, protective, nurturing environment that gives these children the best chance of beating cancer.

Ms. Usha S Banerji,
CEO, St. Jude's Childcare Centre



Every day at the Berthold Otto elementary school, about 100 children receive free lunches and homework help through the Arche program.

DIE ARCHE (THE ARK) - GERMANY

Advent Germany has recently started supporting the Die Arche "school care" program at the Berthold Otto elementary school in Frankfurt/Griesheim.

Die Arche is an organization founded in Berlin to support children in inner cities and has expanded across 20 German cities and to select other Central European cities as well.

According to some estimates, more than 2.5 million children in Germany live in economic, social and in what is sometimes called "emotional" poverty. With unstructured lives outside of their school day and an absence of adult mentors, these children often have trouble believing in their own self-worth and the opportunities in their future. Die Arche's motto is "We Make Kids Strong for Life." The aim of the organization is for children to experience trust and self-worth at Die Arche - independent of their social background.

This is the fourth year the Arche program has been in action at the local Berthold Otto elementary school, and the second year Advent employees have participated in in-person activities. Advent Germany employees spent a day with the children at the Die Arche centre in September 2018 and participated in sports, arts and crafts activities with them.

Some employees had the opportunity to play basketball and engage in other sport activities with the children in their afterschool care program.

Every day at the Berthold Otto elementary school, about 100 children receive free lunches and homework help through the Arche program. Together with the schools, Die Arche provides music, sports, and creative activities for the children which makes school enjoyable and helps them feel valued and safe. Die Arche also offers parents assistance and advice as a way of helping entire families become more stable day-to-day environments for children to succeed.





To date, City Year has helped thousands of students stay in school, more than 80 percent of whom improved their scores on math and reading assessments.

CITY YEAR – BOSTON

City Year is a successful, respected education non-profit founded in Boston that has been helping school children get back on track and graduate for more than 30 years.

For several years, Advent Boston team members have been working with and advising City Year as the organization has expanded within Boston, then across the United States and now internationally.

City Year operates by providing a full-time presence in struggling or turnaround schools. City Year’s volunteer corps teams of “near-peers” (18 to 24-year-olds), are embedded in elementary and middle schools for the full academic year. Team members work with children individually or in small groups to focus on attendance, math, reading, writing and behavioral issues to ensure the students are able to follow through on their coursework. This hands-on intervention has proven to be a powerful tool, especially when focused on the individual schools and school districts where the high school graduation rates are lowest.

By intervening in a child’s formative years, with personal mentorship and key skills, one can help change the lifetime trajectory for those children. To date, City Year has helped thousands of students stay in school, more than 80 percent of whom improved their scores on math and reading assessments. In 2018, City Year expanded to place teams in 28 Boston area schools.



Each City Year team is funded by a combination of corporate sponsorship, municipal and federal funding. Advent’s Boston team financially sponsors a City Year team at the James Condon School (kindergarten through 8th grade) in South Boston.

Each school year at the Condon School commences with an in-person Welcome Event, organized by Advent’s Boston team. Throughout the year, Advent employees bring lunch for the volunteers periodically and participate in an annual Service Day.

At Service Days, a cross section of Advent employees and their families help improve the appearance and functionality of our partner school, through activities such as library organization, painting inspirational quotes and murals on the walls, and creating “test-prep” kits to assist students with upcoming standardized testing.

Advent employees also help the teachers by raising funds for and delivering “wish list” school supplies that are not covered by the school budget, such as dry erase boards, notebooks and other needed educational aids. Many of Advent’s Associates (closer to the ‘near-peer’ age range) develop informal mentoring relationships with the City Year team members. In the spring, end-of-school celebrations for students and City Year corps team members are organized by Advent as well.

There are few resources more valuable to a school than committed, well-trained, focused corps members... City Year corps members develop strong relationships with students which deepens the student’s connection to the school and motivates them to achieve.

Principal Robby Chishom,
Condon K-8 School



Endeavor supports 87 innovative businesses.

ENDEAVOR COLOMBIA

Advent’s team in Colombia supports high-impact local entrepreneurs through its partnership with Endeavor Colombia.

Endeavor Colombia is part of the global Endeavor network, whose goal is to have a positive impact in local economies by transforming entrepreneurs into highly successful business leaders. Endeavor enables this transformation by leveraging a network of seasoned business leaders and implementing a support model that includes mentorship, knowledge sharing, connections with potential investors, and even, potentially, investment from the Endeavor VC fund. Locally, Endeavor Colombia supports 87 innovative businesses, which generated more than 11,000 jobs and COP 1.9 B (\$600million) in revenues in 2017.

Advent has supported Endeavor Colombia since 2015. We have provided financial support for two gala fundraising events; these events play an important role in connecting key players in the Colombian business sector and are an important source of fundraising for Endeavor.

Most of Advent Colombia’s senior team members mentor Endeavor entrepreneurs in areas such as corporate governance, strategy, operations, finance and talent, drawing on our experience growing and strengthening many diverse businesses.



In addition, Endeavor runs selection panels to evaluate and select local entrepreneurs. Advent’s leaders have participated in three local panels as jurors, one of which was hosted in the Advent Bogotá office.

Finally, Advent has facilitated win-win partnerships between some Advent’s portfolio

companies in the country and Endeavor entrepreneurs. For example, Advent facilitated an alliance between Advent portfolio company LifeMiles, one of the largest and fastest-growing loyalty coalition programs in Latin America, and comparamejor.co, an online insurance portal. This alliance with LifeMiles enables the accumulation and redemption of miles in comparamejor. Similarly, Advent helped develop an alliance between startup company Spira and long-established asset management and trust company Alianza Fiduciaria, an Advent portfolio company. Spira developed customized training programs tailored to improve job performance and employee efficiency at Alianza Fiduciaria.

For Endeavor the support received from Advent in Colombia has been unconditional. The guidance and mentorship provided to Endeavor Entrepreneurs by a highly qualified and recognized group of leaders has helped to encourage them to think big, be more focused and strengthen their financial capabilities to better understand their business and the industry in which they operate.

Adriana Suarez,
Managing Director, at Endeavor Colombia

