

ACTERA GROUP

ESG Policy Overview

ESG Overview

Actera and its portfolio companies have adopted a responsible investment approach which incorporates environmental, health and safety, labor, governance and social issues (“ESG”) into the investment decisions as well as into the key initiatives of the portfolio companies.

Actera is the first private equity firm in Turkey that is a signatory to PRI (Principles of Responsible Investment). Actera believes in initiating, implementing and maintaining the highest ethical and business standards across the portfolio companies as a good corporate citizen and also for long-term value creation.

Principles

Providing Leadership: In order to solidify their position as leaders, Actera portfolio companies are strongly encouraged to be role models and to increase the level of ESG awareness within their industries by accepting and implementing the ESG principles.

Engaging with the Stakeholders: Actera is in regular communication with investors, shareholders, portfolio companies, regulatory authorities and employees to be able to identify any ESG related risks and to pursue ESG related opportunities in a timely manner.

Providing Transparency: ESG developments across the portfolio are disclosed to investors quarterly as part of the fund performance update reports. Actera strives to provide all stakeholders with transparent information regarding ESG related risks and processes.

Implementing Diligently: Actera has an environmental and social management systems (ESMS) framework, which includes tools, guidelines, action plans and templates to provide a practical formal guide for Actera team members to manage ESG issues. This framework provides guidance for E&S risk categorization. An ESG manual is also available to support Actera team for risk mitigation and resilience across the investment cycle.

Being Systematic: Actera has established a dedicated ESG Committee which oversees portfolio companies’ compliance with the ESG policy and procedures. The Deal and Operating Team members jointly assess ESG standards and risks during due diligence. Operating Team members monitor ESG compliance with applicable standards during the holding period.

Investing Responsibly: In addition to environmental considerations and governance practices, Actera’s ESG policy covers health and safety, labor and social issues. A primary focus for a Deal Team during the pre-investment period is the identification and the avoidance of risks. The findings of ESG due diligence are highlighted in the investment documents submitted to the Investment Committee during the interim and final investment reviews for the ultimate investment decision which also reflects several non-financial criteria.

Aligning Governance: Actera believes that implementing best-in-class governance practices is a key source of value creation. The governance structure of every investment opportunity is thoroughly analyzed by the Investment Team. The resulting proposed Value Creation Plan and the governance structure are then fully aligned.

Commitments

By committing to this set of principles, Actera will adhere to the following generally accepted, international, best practice E&S standards:

- Local laws and regulations in all countries where Actera and its portfolio companies are located;
- EBRD Environmental and Social Policy and EBRD Environmental and Social Exclusion List;
- DEG and IFC Exclusion Lists

Actera delivers on this commitment through the implementation of an Environmental and Social Management System (ESMS).

This ESG Policy, ESG Manual and ESMS framework are communicated to all employees of Actera, and the ESG Policy Overview is publicly available on the Actera website.

ESG Committee meetings are held semi-annually to discuss and monitor company-level activities and specific initiatives within the portfolio companies. This ESG Policy Overview will be reviewed with a frequency of at least once every two years.