

2021 Oriens Responsible Investment Policy

Oriens Fund II GP (hereinafter “Oriens”), in its role as the General Partner and alternative investment fund manager of various funds, hereby presents its Responsible Investment Policy

1. Integration of Sustainability Risks

Oriens, as a leading investor in the Central Eastern European region has a responsibility to invest in companies which contribute positively to global sustainability. To enable this, sustainability factors are well integrated in all phases of our investment process. Sustainability risks, being environmental, social or governance (hereinafter “**ESG**”) events or conditions that, if they occur, could cause a negative material impact on the value of the investments, are considered by Oriens in its investment processes and due diligence procedures.

Investment sourcing: Oriens considers ESG criteria and sustainability opportunities in the initial phase of the investment assessment process. We review all potential portfolio companies from an ESG and sustainability perspective and companies with a high ESG risk level are rejected immediately as potential investment targets. Certain sectors and industries are completely excluded from investment on ESG grounds as more particularly defined in the limited partnership agreements relating to our funds. ESG factors and sustainability opportunities are incorporated into the initial investment opportunity assessment materials.

Due diligence phase: the assessment of ESG factors and sustainability potential is incorporated in the due diligence process as well. We review potential targets in detail in order to understand the sustainability risks associated with the target company. We use the outcome of the legal due diligence and strategic due diligence processes to assess ESG related risks and sustainability opportunities and the assessment is an integral part of Investment Committee materials.

Post investment monitoring: in the first 100 days of ownership, Oriens prepares the first internal assessment of ESG factors based on selected key performance indicators (hereinafter “**KPIs**”). ESG KPIs are collected from the companies on a quarterly basis and its results are shared with our Limited Partners (hereinafter “**LPs**”) in the quarterly reports and the annual ESG overview. ESG topics are regularly discussed at monthly board meetings and the management of the portfolio company is required to report any major ESG concerns to Oriens.

2. Principal Adverse Sustainability Impact Statement

The General Partner takes principal adverse impacts of the Partnership into consideration in the management of certain financial products. “Principal Adverse Impacts” should be understood as those impacts of investment decisions that result in negative effects on sustainability factors.

The General Partner has put in place a process to measure the impact of the investee companies on the following adverse impact indicators:

Adverse sustainability indicator		Metric
Greenhouse gas emissions	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies per high impact climate sector
Waste	Hazardous waste ratio	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average (tons/million)
Social and Employee matters	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	Board gender diversity	Average ratio of female to male board members in investee companies
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Such process includes engagement with the investee companies as described in section 1 above.

As of 1 January 2023 Oriens will describe in this section adverse impacts that qualify as principal as well as actions planned or targets set to avoid or reduce principal adverse impacts.

3. Adherence to Internationally Recognised Standards and Enforcement

All Oriens employees are expected to follow our high standards of business conduct outlined in our Code of Conduct. We became signatory of the [Six Principles of Responsible Investment \(PRI\)](#) in 2021. Oriens assesses potential investments based on the [United Nation's 17 Sustainable Development Goals](#). The Investment Committee (as defined below) is responsible for ensuring that responsible investment considerations are incorporated into our investment processes and the regular monitoring of portfolio companies takes place during the ownership phase.

The Investment Committee is responsible for ensuring that our responsible investment policy is followed in the investment process. We appoint a Sustainability & ESG officer at the board level of our portfolio companies, who is responsible for ensuring the monitoring and continuous development of ESG and sustainability related activities of the companies.

4. Remuneration policy

Sustainability risks and opportunities are naturally integrated into the investment process for Oriens, therefore all Oriens employees and the management of the portfolio companies are encouraged to consider the long-term effects of their decisions instead of focusing on short-term gains. This is achieved by ensuring that the performance assessment for the variable remuneration is based on a longer period.

5. Review

This Policy will be reviewed and updated as required to reflect external and internal changes on an *ad hoc* basis and at least on an annual basis.