

To our stakeholders:

I am pleased to confirm that Abris Capital Partners reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Trough our 2nd Communication on Progress we are describing our actions for continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

The information presented in this Report refers to our activities between end of 2018 and end of 2019 as an active member of United Nations Global Compact. Additional information has been presented in this report and its development is included in the Abris ESG Report available on the Abris Capital Partners website.

Activities carried out in 2020 will be reported in the next annual report presenting the whole of 2020. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

For and on behalf of
Abris Capital Partners Limited

1. Human rights

a. Assessment, policy and goals

Abris directly declares respect for Human Rights and indicates active commitment to the protection of Human Rights in three basic documents: Equal Treatment Policy – a document which was adopted in 2019 to enhance Abris' respect for this area. Abris Capital Partners Compliance Manual and Abris Capital Partners Responsible Investment Policy.

The Equal Treatment Policy is applicable for all Abris offices and all personnel, regardless of seniority level. It is an important Policy for us and the firm stands true to its values.

In the Responsible Investment Policy, it has been announced that Abris has developed a Categorization Guideline to ascertain the scope of ESG Due Diligence. Based on the adopted guidelines, Abris refrains from investing in companies that do not respect Human Rights. We have developed a monitoring tool for our portfolio companies which contains a section dedicated to Human Rights risk assessment.

Through ESG Scoring, we check the risk of human rights violations for every vendor in our supply chain. If the risk is high, we introduce mechanisms and oversight to ensure accountability for any violations.

We have assisted our portfolio companies for adding human rights compliance clauses to all partnership agreements. In case of high risk of human rights violations, we are requiring specific certificates and audits in area.

b. Implementation

The Abris Capital Partners Compliance Manual certifies that Abris Investment Committee provides guidance on a wide range of potential Human Rights challenges, which include consideration of susceptibility of Human Rights abuses, such as child or slave labour or bans on trade unions. The ESG Team is responsible for assessment and mitigation of Human Rights risks. We have internal whistleblowing procedures as well as an external, publicly available whistleblowing contact.

As the majority owner, Abris recommends to its portfolio companies where it has identified a Human Rights risk, to take measures to reduce that risk. Examples of projects demonstrate the inclusion of Human Rights requirements in the audit of suppliers or supplementing codes of ethics with issues related to Human Rights.

We expect our portfolio companies to incorporate comprehensive Human Resources processes, formalize topics such as working hours, overtime, salaries, holidays, the right

to associate, outsourcing, labor law compliance and to counteract mobbing/sexual abuse. We also closely monitor and facilitate progress toward inclusion and diversity within the workforce. Abris recognizes that the provision of basic employee protection measures and the elimination of accidents are key elements of building a Health & Safety culture. For example, we recommend reporting procedures for near misses to those companies in the production industry. "Safety at work" also means "safe work tools." That is why we conducted a training on machinery safety compliance in 2019.

c. Measurement of outcomes

The Human Rights risks assessment has been added to our due diligence and monitoring activities. All our portfolio companies were analyzed in terms of Human Rights risks. There were no incidents of Human Rights violation. We raised awareness of the risks related to Human Rights and business through our periodically discussions with management.

2. Labour

a. Assessment, policy and goals

Abris Capital Partners defines employee rights, responsibilities and their compensation and benefits in the Equal Treatment Policy, Abris Capital Partners Human Resources Policy and Abris Capital Partners Compliance Manual.

Requirements for business partners and portfolio companies, in respect to labour rights have been defined in the Abris Capital Partners Responsible Investment Policy. Every investment activity is assessed considering international labour standard risk. We check portfolio companies in terms of general compliance, working hours, wage, fair working conditions, training, health and safety.

b. Implementation

Our Compliance Manual is regularly updated and fully implemented in our organization. One of our priorities is the HR management system with clear and transparent procedures for hiring, evaluating and promoting. We have implemented anonymous whistleblowing channels.

Our Response Procedure regarding Reports of Irregularities and Fraud defines situations subject to notification. In particular, the following situations and behaviors can be subject to notification: breaches of the generally applicable law; breaches of internal regulations, including but not limited to, labor bylaws, procedures related to occupation safety and health, financial and accounting procedures and practices, mobbing, discrimination, anti-corruption procedures, as well as other policies, procedures, instructions and orders.

13,000 people and together with their families constitute approximately 50,000 beneficiaries of our activities. That is why Abris Investment Committee provides guidance on a wide range of potential ethical, governance, social and environmental challenges, which include consideration of: susceptibility bans on trade unions; compliance with social legislation, such as laws and best practice governing discrimination, diversity, employment terms and health and safety.

c. Measurement of outcomes

The Response Procedure regarding Reports of Irregularities and Fraud defines how to deal with violation incidents of the Global Compact labour principles. In the portfolio companies, we worked on e.g.: implementation of the employee evaluation process; introduction of a new fleet policy; introduction of a bonus program; implementation of an HR management system: procedures for hiring, evaluating, promoting employees.

We checked and analyzed approximately 70 indicators in terms of labour standards in each portfolio company. The details are described in the Abris ESG Report 2019, which is publicly available.

3. Environmental

a. Assessment, policy and goals

Our approach to environmental issues is presented in the Abris Capital Partners Responsible Investment Policy. We work to build value in our investments through close collaboration and strong respect for our business partners. Our businesses must be cognizant of the social impact and environmental consequences arising from their operations. We select investment opportunities not only in terms of the expected financial return. We also consider environmental, social and governance (ESG) issues when contemplating investment opportunities. As a socially responsible investor, we aim to invest in companies that act responsibly in terms of environmental issues. We have incorporated environmental issues from the Abris Capital Partners Responsible Investment Policy and the Environmental, Social and Governance (ESG) Monitoring Procedure into our investment process. Once an investment is made, we continue monitoring e.g. environmental risks to ensure our limited partners' interests are well protected. We actively advocate responsible investing by integrating environmental, social and governance factors (ESG) at every stage of the investment process.

We are aware that the climate-related risks and opportunities can have serious impact on our investments and reduce value of the investment portfolio. Responding to this challenge, we have incorporated the climate-related issues into our ESG monitoring practices. Annually, we ask our portfolio companies about their practices in assessing the climate-related risks and opportunities.

During 2019 we have developed a pilot project for measuring Carbon footprint in scope 1 and 2 for one of our portfolio company. In 2020 the project will be extended to all portfolio companies. Based on the results of this we intend to create an action plan for a net-zero emissions strategy. Our ambition is to be a net-zero portfolio based on the proprietary methodology by 2023. We analyze the climate change risk and opportunities in our portfolio companies, according to Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

b. Implementation

In order to raise awareness on environmental topics during 2019 we have conducted a two days training for our portfolio companies. Our tools for measuring carbon footprint and analyzing the climate change risk were presented beside the pilot project to measure and set reduction goals in carbon footprint.

Among others, the following projects were implemented in Abris' portfolio companies to reduce the environmental impact: new technologies and innovative product packaging to reduce waste, partnerships with local authorities for developing circular economy and/or spread the word about recycling, using "smart" transportation for raw materials, install steam boiler, energy efficiency audits.

c. Measurement of outcomes

We checked and analyzed approximately 100 indicators in terms of environmental and climate change issues in each portfolio company. The details are described in the Abris ESG Report 2019, which is publicly available.

4. Anti-corruption

a. Assessment, policy and goals

Our anti-corruption policy is defined in two basic documents: the Abris Capital Partners Compliance Manual and Abris Capital Partners Responsible Investment Policy.

b. Implementation

Our “zero-tolerance” policy is maintained. We have prepared and executed during our annual ESG training a dedicated session for our and our portfolio companies’ compliance officers. The results of previous year – 2018: zero tolerance year, were presented and the action plan for the next period was established. Each company need to remind its employees and partners about the transparency in reporting trough the whistleblowing platform. On the other hand, for the new joined company, Abris’ mission is to assist them in implementation of anti-corruption policies, a mandatory first step.

c. Measurement of outcomes

The Response Procedure regarding Reports of Irregularities and Fraud defines how to deal with corruption incidents. We are also checking and analyzing more than 100 indicators for our portfolio companies in regards of anti-corruption issues.

When any cases are signalized, immediate measures as private investigations, contracts resilience or penalties are being taken.

There was no corruption case at Abris Capital Partners.