

# ESG REPORT 2021

Aurica Capital

*Aurica Capital Desarrollo, SGEIC, SA*



AURICA



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# Letter to our stakeholders



Ferran Conti  
Partner



Iván Plaza  
Partner



Ramón Mas  
Partner

2021 has been a period of normalization after the pandemic for society in general and for Aurica Capital in particular, where we have continued to generate value for our investors with a notable increase in the value of our portfolio. It has been a year of consolidation with the first divestment of Aurica III, STI Norland, which has been sold to Array Technologies, with an overall return that will exceed 8.0x MOIC and will allow all investors' commitments to be returned. STI Norland was an impact investment of Aurica III due to the increase in energy efficiency in projects that incorporate solar trackers (+10-15%). This operation shows us the value in companies that are committed to energy transition and confirms our firm's commitment to our investment model that ensures the growth and sustainable development of our investee's portfolio.

We are pleased to announce that in October 2021, we established the Aurica IV fund, which has been supported thanks to a first closing of more than 200 million euros in commitments in July 2022. Our ESG management model with a policy of clearly defined sustainable investment goals has allowed us to register Aurica IV with the CNMV under article 8 of the Sustainable Finance Disclosure Regulation ("SFDR"), through which ESG characteristics are promoted.

Aurica Capital reaffirms its commitment to sustainability and the integration of environmental, social and governance criteria in the investment procedure. This is reaffirmed in the implementation of the sustainable investment policy to our entire portfolio and the actions that have been made during 2021 to carry out (i) a materiality analysis of Aurica Capital and its portfolio according to SASB (Value Reporting Foundation) criteria, (ii) a calculation of Aurica Capital's carbon footprint and (iii) an implementation of a climate risk and opportunity management model based on the Task Force on Climate-Related Financial Disclosures ("TCFD").

Aurica has widely experienced management teams trained in ESG and monitoring mechanisms adapted to the reality of our portfolio. We have broadened and increased our performance in the management of ESG aspects and we firmly believe that these will continue to add additional value to our portfolio in the coming years.

Consequently, and as an example of our ongoing commitment to society and the planet, we present our second ESG Report. Through this document we want to continue to provide a transparent response to our commitment with our investors and stakeholders, to report regularly on our integration of ESG aspects in the business and our vision for the coming years. Thus, we can proudly share that 2021 has been a successful year for Aurica Capital in ESG matters.

### Scope of the ESG report:

Aurica Capital Desarrollo, SGEIC, SA or its abbreviated version, Aurica Capital – Asset Manager including all managed funds.

Investees from the portfolio of the Asset Manager.

The scope of the ESG report covers the full year 2021 and some key initiatives developed in 2022.

We have been signatories to the United Nations Principles for Responsible Investment (UN-PRI) since February 2016 and we continue to be members of Invest Europe and SpainCap. We strongly support (i) the global framework of the 2015 Paris Agreement, (ii) the United Nations Guiding Principles on Business and Human Rights, (iii) the TCFD, (iv) the Sustainable Development Goals ("SDGs") and (v) the United Nations 2030 Agenda.

We have carried out a review of our Responsible Investment Policy and the procedure for applying said policy to try to reflect our methodology more transparently. We have made a significant effort to standardize the regulatory and employee relations aspects (Code of Ethics, Code of Conduct, HR Policy) and stakeholders (Client and Supplier Relations Policy) of our portfolio. Likewise, during 2021, apart from measuring different indicators at the level of each investee, 2 quantitative and 3 qualitative objectives have been deepened and formalized in each of the investees, together with an action plan to meet them.

Lastly, we have materialized the first positive results of setting up a governance model together with an ESG team at the firm. Follow-up has been formalized with each of our investees and we continue to influence the definition of ambitious ESG objectives and indicators in each of them. Our goal will continue to be marked by the path of growth and sustainable economic expansion while generating value based, once again during 2022, on the creation of the positive impact of our investments.

Ferran Conti, Iván Plaza y Ramón Mas

# 2021 IN FIGURES

## Aurica Capital



### Adherence and memberships



### Our public support



## Our portfolio companies

### Environmental



**62.5%** Companies with an environmental lead



**50%** Companies with an Environmental Policy



**0** Significant environmental accidents



**62.5%** Companies using renewable energy



**17,307** t CO<sub>2</sub>

### Social



**6,121** Employees  
**32%** are women



**82%** Employees covered by a collective agreement



**100%** Companies with a Health and Safety Policy



**100%** Companies with social contribution initiatives



**62.5%** Companies with supplier management policies

### Governance



**87.5%** of Companies with a Code of Ethics



**87.5%** of companies providing training

\*+€710M assets under management since the incorporation of Aurica Capital / +€360M assets under management in Q2 2022  
\*\* TVPI = Total Value Paid-In or theoretical multiple of the investment and DPI = Distributed to Paid-In or realized multiple of the investment  
\*\*\*One investee is partially divested

Main milestones





# About Aurica Capital

## Purpose and business integrity

A year of consolidation

“Aurica has always been a reference in ESG within the private capital sector, adhering to the Principles for Responsible Investment (UN-PRI) and developing a responsible investment policy

Aurica Capital is a Private Equity firm specialized in the Spanish middle market with more than €360M of assets under management that invests through significant minority stakes in leading companies with sustainable competitive advantages and high growth potential.

During 2021, Aurica Capital has demonstrated its great commitment to the ESG world as a lever for value creation. In this financial year, the firm has held conversations with all its investees and has managed to establish ESG objectives in each of them, drawing up a specific action plan for each investee. Additionally, Aurica Capital has initiated a plan for the implementation of the TCFD recommendations in relation to climate, expanding, in turn, the indicators to be monitored by the investees.

In May 2021, the partners of Aurica Capital acquired 80% of their stake in the management company from Banco de Sabadell in order to have greater independence and ease decision-making and execution (reduction of conflicts of interest, among other benefits). In turn, Banco de Sabadell can greatly benefit from this development being one of Aurica’s key investors and main marketer.

### Divestment phase of the Aurica III fund

2021 was the last year of the investment period of the Aurica III fund, which has €200M under management (including co-investments) and which presented a solid performance for its investors. This was due in part, to the divestment agreement closed with the first investee, STI Norland. During 2021 and 2022, the fund's investment commitments in follow-ons in investee companies (mainly Grupo Babel and Samy Road) will be completed. The oldest investments in the portfolio evolve positively towards the objectives set in the respective business plans.

### New Aurica IV Fund

During 2021 we have been preparing the launch of our fourth fund with an investment strategy similar to Aurica III, although with a higher target fund size of up to €350M and larger target size transactions. In October 2021, the Aurica IV fund was registered with the CNMV and we expect to make a first commitment closing of more than €200 million in July 2022. The first closing of Aurica IV represents practically double what we managed to obtain for the Aurica III fund, as in the first closing we were counting on figures that were around €100 million.

- This fund has been **registered with the CNMV as article 8** of the *Sustainable Finance Disclosure Regulation* (SFDR), actively promoting ESG initiatives.

## Tracing the line of growth

By 2022, Aurica Capital has also decided to change its relationship model with investors, adapting to **Chapter II of Title II of Law 22/2014** due to our desire to market Aurica IV internationally and to be able to access a wider range of national investors. This change supposes an additional layer of regulatory requirements that give greater security to the investor:

### Regulatory compliance and risk management

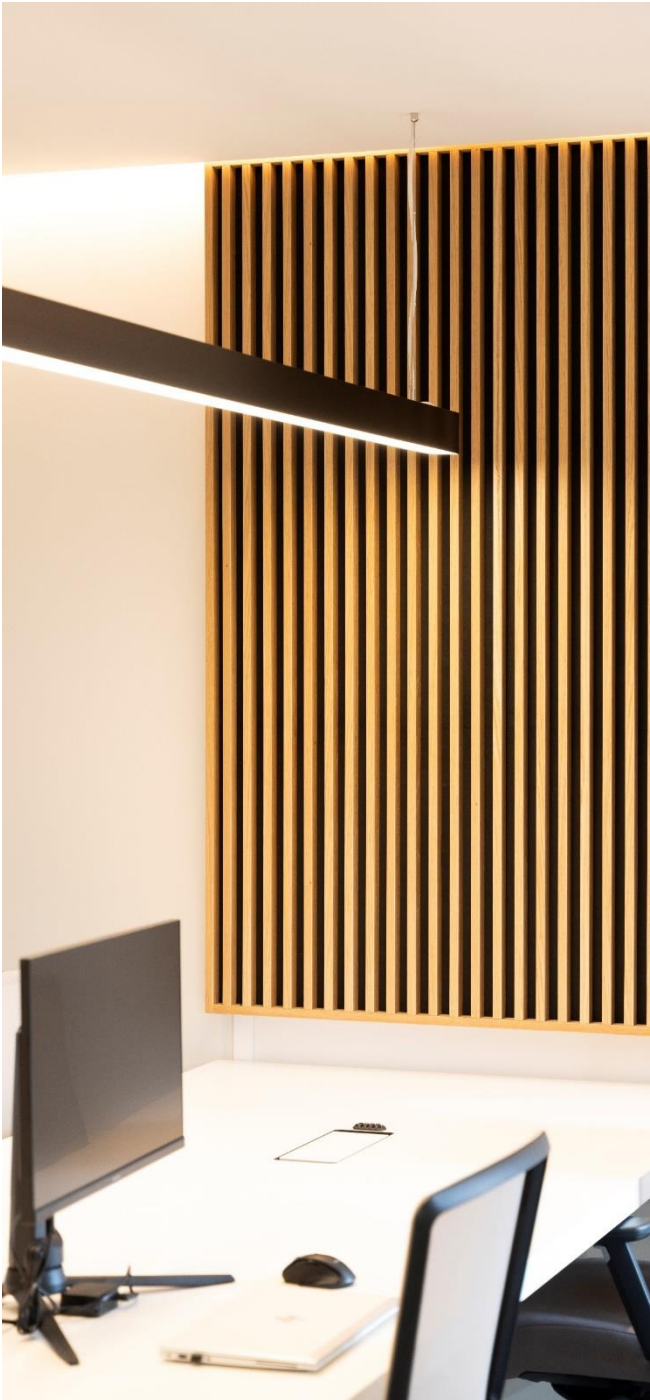
- Creation of a new Regulatory Compliance and Risk Management Unit and appointment of Pilar Gómez as head.
- This Unit is also in charge of drawing up specific procedures for risk management:
  - Implementation of the necessary measures to duly determine, measure, manage and control the risks that are deemed pertinent, based on the investment and divestment strategy of the funds managed by Aurica Capital.
  - Guarantee that the risk profiles of the funds managed by Aurica Capital correspond to their dimensions, portfolio structure and investment strategies and objectives, as established by the Investment Department and the constitutive documents of said vehicles.
- It is responsible for the prevention of money laundering, prevention of terrorism and data protection.
- Verifies and controls that the Aurica IV marketing process is carried out correctly and in compliance with current regulations.

### New responsibilities for the Financial Department

- Celia Berenguer joins the Aurica Capital team as Financial Director.
- Valuation every 6 months of assets under management.
- Creation of a new Internal Audit Unit that is delegated to our supplier Venture Comply. This is coordinated by the Financial Department for the adequate formulation of accounts and preparation of financial statements.

### Appointment of a depositary

In accordance with the provisions of article 50 of Law 22/2014, Aurica Capital has appointed BNP Paribas as the depositary of the Aurica IV fund in 2022. Both the Management Regulations and the Aurica IV Prospectus must have their approval. Likewise, all collections and payments must have the approval of the depositary.





**2021 continued to be a great challenge for many of us, both society in general and the global economy due to the Covid-19 pandemic.**

In 2021, although to a lesser extent than 2020, the impacts of the Covid-19 crisis continued to be present but were difficult to estimate. As it could be foreseen in 2020, the consequences of the pandemic were still present during 2021. In the case of the Aurica Capital's portfolio, it was more felt in Grupo Larrumba. Although the company could open their restaurants, they had different capacity limitations which forced them to reinvent their model, as well as in Winche due to the near disappearance of the Horeca channel. In both cases, 2022 is proving to be a good year and it is growing strongly above 2019 numbers.

**Since March 2020, Aurica Capital has developed several initiatives to mitigate the effects of the Covid-19 crisis that continue to be carried out during part of 2021:**

- The employees of Aurica Capital have worked from home since the state of alarm was decreed, although there has been a progressive return to the office since the end of lockdown with strict control of capacity and a 15-day work-from-home quarantine rule for those infected.
- Management meetings every two days on portfolio management with a focus on those investees most affected, such as Grupo Larrumba or Winche.
- Every Friday, a review of the portfolio was carried out, analyzing its evolution and focusing on those with the highest risk, ensuring the continuity of the business of the entire portfolio.
- Ad-hoc initiatives were developed to ensure business continuity.

*Aurica Capital has successfully managed the Covid-19 crisis, ensuring the continuity and profitability of its investees, which is demonstrated by the divestment of STI Norland in January 2022 and the more than likely divestment of 2 additional investees in 2022. This is crystallizing in a substantial improvement in the expected return for our investors:*

- TVPI December 2020: 1.44x
- TVPI December 2021: 2.0x
- TVPI projected for 2022: > 2.5x

*.... and an intense rate of generation of investment opportunities with 5 companies in exclusivity and 3 in an advanced stage of negotiation that will nurture Aurica IV with exciting projects.*

AURICA



The 3 pillars of our investment profile:

APPROACH

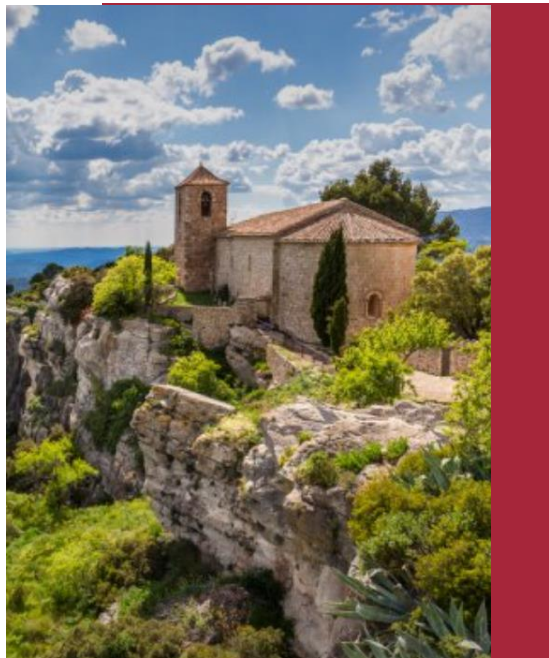
- Companies with growth potential, both organically and through acquisitions.
- Family companies without a succession plan.
- Companies looking for alternative sources of financing for their growth plans.
- Companies looking for a minority investor, with an active role.
- Unlevered transactions.
- Preferably transactions through capital increases.
- Excluded sectors: real estate, infrastructure, construction, financial sectors and those not aligned with ESG criteria.

COMPANIONSHIP

- Medium-sized, with annual revenues of more than €30 million and EBITDA of more than €4 million.
- Highly qualified management team.
- Sustainable competitive advantage in your sector, ideally if it is fragmented and with the ability to consolidate.
- Low indebtedness and non-Capex intensive
- Commitment to international expansion.
- Recurring and sustainable cash flows with a stable dividend policy (4% historical yield).
- Headquarters: Spain.

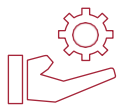
INVESTMENTS

- Significant minority stakes (20%-49%), albeit opportunistically also through majorities
- Partner agreements with reinforced majorities, right of veto, active representation in the governing bodies (management committee and board of directors) and exit clauses (tag and drag-along).
- Investment timeline: 4-7 years.
- Investment range: €10-50M. With co-investments up to €70M.



Main investment sectors:

Aurica Capital is an asset manager with a sector agnostic strategy. Despite not having specific sectors defined in its investment profile, it has had success stories in specific industries where Spain is also a world leader and, therefore, the following sectors fit into its investment strategy:



Services/ Leisure



Digital /Tech



Renewable energy



Agriculture

Our portfolio:



Note (\*): Divestment during the first half of 2022

Some testimonials from our portfolio:

“Aurica's support allowed me to rise to a more strategic level and divest with them.

“The entry of Aurica allowed us to develop an inorganic acquisition strategy that we could never have imagined.

“Aurica's investment allowed us to carry out a shareholder and corporate reorganization and operate as a single Group.

Business Integrity

Sustainable and responsible management is an essential part of our identity, our value creation strategy and our long-term success.

We are aware of the importance of incorporating environmental, social and good governance factors in investment decision-making, aligning ourselves with the interests of investors, society and our stakeholders.

Ethical considerations

We recognize our role and impact on our stakeholders and society in general. We believe that genuine accomplishment should be the result of a double bottom-line; economical achievement and ESG integration into the business. Consequently, core to our investment philosophy, is the belief that the integration of ESG issues into our investment process creates long-term sustainable returns maximizing positive effects and minimizing risks.

Long-term rationale

We recognize that companies with robust governance bodies and policies are well positioned to achieve a sustainable growth in the long term. Considering our long-term investment objectives, ESG embedment into the business is crucial since it translates into potential sustainable returns for investors and maximizes the overall value of our beneficiaries and clients.

Financial materiality

We recognize the financial materiality of ESG aspects for companies, the market as a whole and society.

Fiduciary duty

We recognize that integrating ESG aspects falls within the scope of an investor's fiduciary duty to its stakeholders.





Sector exclusions

In the framework of business integrity and ESG integration, Aurica Capital does not invest in companies linked to the following activities:



Human rights

- Exploitative or harmful forms of child labor or forced labor.
- Activity linked to pornography and / or prostitution.



Illegal activities

- Production or trade of any product or development of any activity considered illegal according to the laws and regulations of the country where the project is located.
- Production and trade of substances that are prohibited or in the process of being phased out.



Fauna and flora

- Trade with wild fauna and flora regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Use of drift nets of more than 2.5 km. of length.
- Destruction of areas considered of High Conservation Value.



Climate change

- Cross-border trade of products or waste, unless it complies with the provisions of the Basel Convention and the regulations related to this Convention.
- Power generation using nuclear fuel and / or production, storage, treatment and trade of radioactive products, including radioactive waste.



Security and arms industry

- Manufacture or trade in products containing loose asbestos fibers.
- Production or trade in arms and ammunition.

Investments in real estate, financial and defense sectors and those other sectors that are legally banned by private equity entities are explicitly excluded.



Management approach and governance

Aurica Capital's **responsible investment strategy** is embedded in its **organizational structure, governance and business culture**. Its implementation is **handled at the highest organizational level**, including the **Investment Committee, the Executive Committee and the ESG Committee** which, this year, has been expanded to incorporate climate-related functions, as well as support the implementation of the recommendations of the TCFD. The ESG corporate governance model ensures quick decision-making in the face of aspects that could be critical.

The ESG Committee is responsible for the implementation and supervision of ESG practices, which are established in the Responsible Investment Policy.

The ESG Committee supervises and monitors the Executive Committee and reports to the Investment Committee when necessary.

The ESG and Climate Committee is made up of members of Aurica Capital's senior management with proven experience in ESG matters and climate aspects.



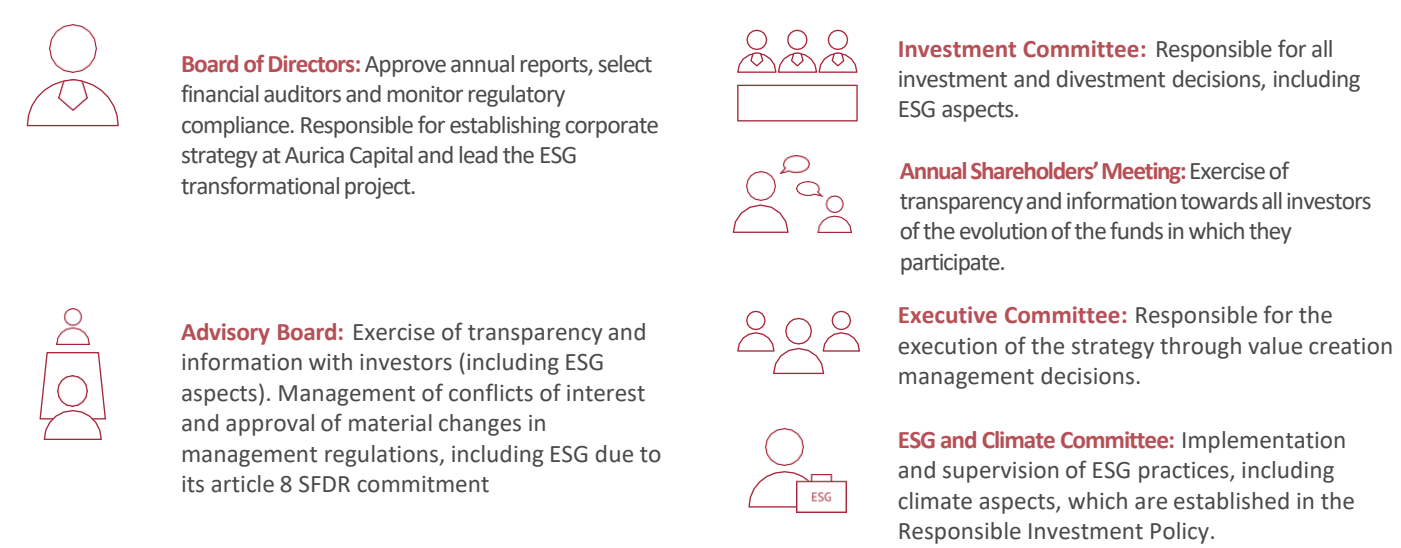
Iván Plaza  
Partner



Ferran Alcácer  
Investment director and ESG Head

Governance bodies

Aurica Capital has the following corporate governance model:



Flow of responsibilities in ESG and climate supervision





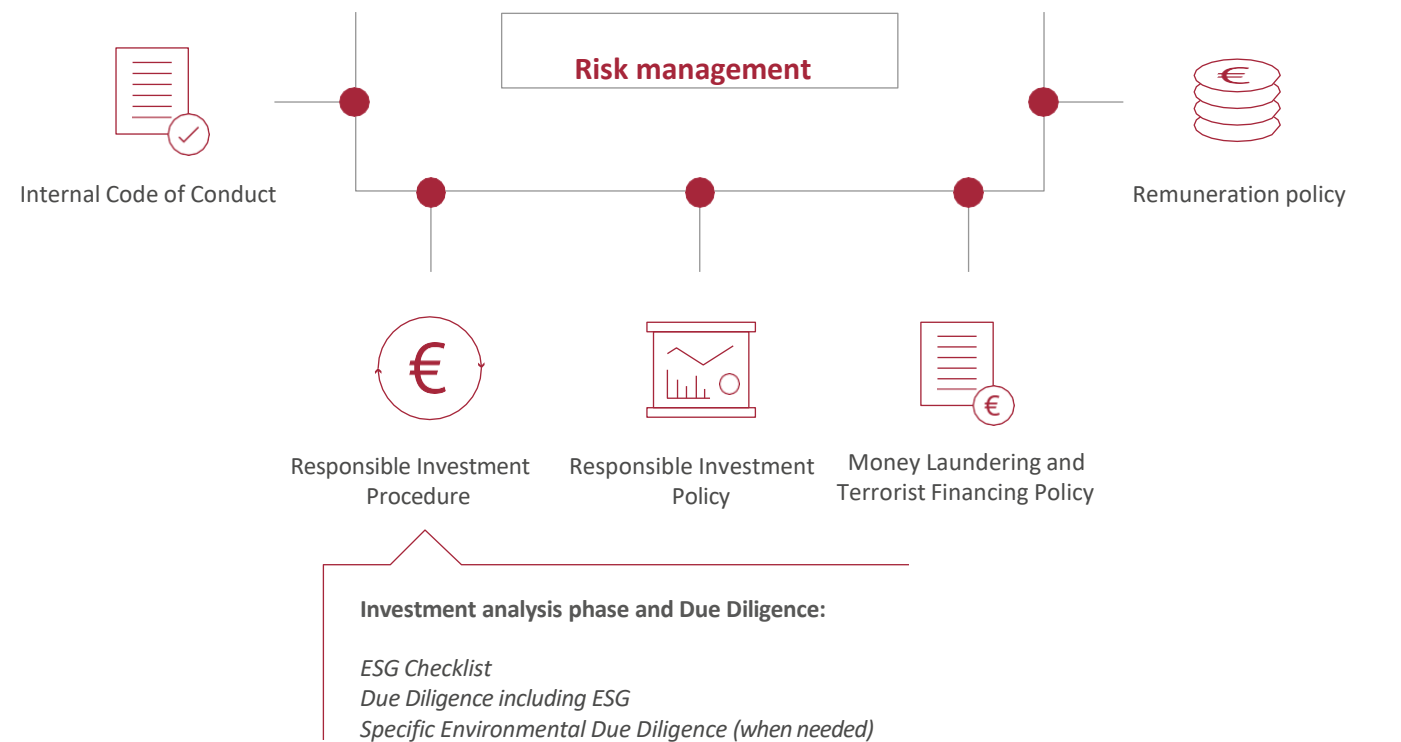
Risk management

Risk management and compliance is an essential pillar for Aurica Capital to secure existing regulation requirements and to protect business development.

With the objective of managing potential risks, Aurica Capital currently counts with an **Internal Code of Conduct** which acts as our code of ethics that together with (i) **Remuneration Policy**, (ii) **Money Laundering and Terrorist Financing Policy** and (iii) **Responsible Investment Policy & Procedure** prevents and detects regulatory and associated risks and mitigates uncertainty in investment decisions.

The Responsible Investment Policy is further developed into a **Responsible Investment Procedure** which includes an **ESG Checklist**, a **Due Diligence** including ESG and, if necessary, a specific **Environmental Due Diligence** (when needed) during the investment analysis phase and Due Diligence.

During the year 2021, Aurica Capital has begun to identify the level of climatic risk, both physical and transition, for each of its investees based on the climatic recommendations of the TCFD. Additionally, for those investees in which the level of physical or transition climatic risk turns out to be medium or high, a more specific analysis is carried out in which the specific risks for each of the investees are identified.



Aurica Capital has designated risk control and regulatory compliance responsibilities assigned within the senior management team (with representation on the Investment Committee, the Executive Committee and the ESG and Climate Committee).

Compliance Heads



Iván Plaza  
Partner



Ferran Alcácer  
Investment director and  
ESG Head



Pilar Gómez del Pulgar  
DPO and Head of the Regulatory  
Compliance Unit



## Our team



12

professionals involved in making investment decisions

+15

years of experience working together



10

Hours of training during the year 2021, 30% of which was in ESG. Between June 15 and 22, Aurica Capital carried out mandatory ESG training for all members of the firm.

The Aurica Capital team has **professionals with extensive experience in the Private Equity sector**, from the areas of **asset management, investment banking and consulting**. As a whole, they provide added value to Aurica Capital's decision-making processes.

### Executive Board of Directors



Raúl Rodríguez



Iván Plaza



Ferran Conti  
*Partner*



Ramón Mas  
*Partner*



Ferran Conti



Ramón Mas



Iván Plaza  
*Partner*

### Executive Board of Directors



Ferran Alcácer  
*Investment director (since 2007) & ESG Head*



Pablo Pérez  
*Investment director (since 2007)*



Martin Vargas  
*Investment director (since 2015)*



Borja Casanovas  
*Investment director (since 2013)*

## Analysts



Helena Peláez

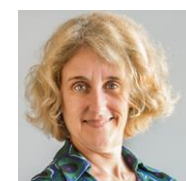


Alex Conti



Daniel Soldevila

## Financial Director and Regulatory Compliance



Celia Cristina Berenguer  
*Financial Director*



Pilar Gómez del Pulgar  
*DPO and Head of the Regulatory Compliance Unit*

## Our values



### Honesty and transparency

Being honest makes us completely transparent and it gives us credibility with our investors and investee partners, building trust and long-lasting relationships.



### Excellence

We seek to exceed the expectations of our stakeholders through thorough work and we strive to achieve in everything we do to reflect the highest quality standards.



### Teamwork

We work together as a team to achieve common goals. We promote meritocracy and encourage the spirit of achievement by recognising personal effort in contributing to collective success.



### Compromise

We are committed to equal opportunities, we and we care for the environment and work-life balance.

## Ensuring gender equality

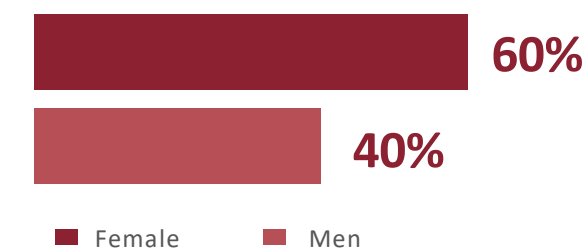
During the 2021 financial year, we have reinforced our team with 5 new professionals, 3 of them women obtaining positions as (i) Office and Regulatory Compliance Manager, (i) Financial Director and (iii) Analyst.

All of them have ESG skills to support Aurica Capital's commitment to integrating ESG into the business model.

It is part of our short-term plans to guarantee gender equality in Aurica Capital and in our portfolio and to continue betting on the gradual incorporation of talented women into our teams.

Aurica Capital contributes to correcting gender inequalities by monitoring the evolution of its remuneration policy.

### Incorporations during 2021





Our approach

Aurica Capital recognizes Climate Change as a key risk and opportunity for the global economy and for its own business development and its investees.

We acknowledge the criticality of Climate Change and as a result Aurica Capital supports the 2015 Paris Agreement global framework and during 2021 has publicly support the Task Force on Climate-Related Financial Disclosures (TCFD).

In addition, we include Climate risk in our investment strategy and in the monitoring of our portfolio.

Currently we are also working to measure our “own” Carbon Footprint in order to establish emission reduction targets in investees where necessary.

1. Commitment to the Responsible Investment Strategy

Our Responsible Investment Strategy is embodied in our **Responsible Investment Policy and Procedure**, which has specific areas that address the potential impacts and risks derived from climate change (see the “Sector Exclusions” section for more information).

Sector exclusions:

Aurica Capital does not invest in companies linked to specific activities damaging the environment.

Climate change considerations in investment phases

Aurica Capital has mandatory documents to be completed during the investment phases that consider aspects of Climate Change such as the "ESG Checklist", the "Investment Memorandum", the “ESG and Environmental Due Diligence” and the "ESG Evaluation".

2. Engagement with the Task Force on Climate-Related Financial Disclosures (TCFD)

During the year 2021, we have taken a big step in following TCFD recommendations. During this year, we have drawn up a three-year action plan with actions that we will develop progressively over time. These actions are based on the document that PRI has prepared in conjunction with INDEFI, which serves as a specific guide on how to incorporate the TCFD recommendations to private capital management companies\*. Some of the actions have already begun to be carried out, such as appointing a governance team dedicated to climate (see section "Management and governance approach") or identifying the level of risks of the different investees (see more below in this section). Additionally, we commit to progressively evolve our reporting to disclose our progress in the key areas identified by the TCFD.

Core Elements of Recommended Climate-Related Financial Disclosures\*

Governance	Governance of the organization around climate-related risks and opportunities.
Strategy	The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning.
Risk management	The processes the organization uses to identify, assess and manage climate-related risks.
Metrics and targets	The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

3. Commitment to our portfolio

We are committed to identifying the risks and opportunities of climate change in our investees, helping them mitigate those potential risks and promoting opportunities. During 2021, we monitored the CO2 emissions of our portfolio for the first time and developed plans to reduce these emissions in the coming periods.

Additionally, a materiality analysis has been carried out according to the *Value Reporting Foundation (VRF)* map and climate risks following the recommendations of the TCFD for each of the companies in our portfolio.

\*Source: “Technical Guide: TCFD for Private Equity General Partners” (PRI + INDEFI) – 2020  
\*\*Source: Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) - June 2017

Value generation model

Aurica Capital's materiality

Methodology

Materiality provides a clear analysis of new trends that are affecting or will affect Aurica Capital and its stakeholders, broadening the focus and stimulating innovation. It allows to clarify the important elements and the management information relevant and necessary for the execution of the strategy. Additionally, materiality ensures that the expectations and needs of the different stakeholders are taken into account and, therefore, helps prevent and mitigate unidentified risks.

In this sense, in 2021 Aurica Capital has carried out its first materiality analysis at **both the asset manager level and the investee portfolio level** in order to identify its material aspects in terms of ESG and to know where it should make greater efforts.

For this, **22 possible material issues** were identified based on the concerns of the sector from a preliminary analysis. Then, the relevance that these 22 possible material aspects had for Aurica Capital, both externally and internally, was identified as follows:

- External relevance:** The relevance for each of the topics of some management companies within the **private capital sector** was taken into account, as well as the relevance of sector prescribers (PRI, ASCRI, PEI, CFA Institute and ILPA) and ESG **prescribers** (ODS, GRI, MSCI, TCFD, SASB, Sustainalytics, DJSI and Spanish Law 11/2018 on Non-Financial Information). Additionally, **surveys were carried out with both our employees and our investees** in order to quantify their concerns with the material aspects mentioned.
- Internal relevance:** Individual **interviews were conducted with members of the management team of Aurica Capital and with investors of the firm** in which the current level of ESG within Aurica and the relevance for each of them of the ESG topics on the list were discussed.

Some comments made in the interviews:

“Aurica has always been a young and transgressive fund in a universe of more traditional entities. It is creating a niche market by doing things differently from the rest”.

“Aurica Capital is aligned with current sustainability standards. There is a clear expression of concern about ESG because it is known to be sensitive to investors in general”.

“The entire Aurica Capital’s team is close to the investees, which allows them to support the leadership team of portfolio companies. It is essential to know how to build these relationships of trust.”

“Aurica Capital is striving to take ESG issues very seriously. They have carried out closely related initiatives, for example their strong commitment to transparency”.

Sector prescribers



ESG prescribers



Materiality matrix

Once the internal and external relevance were quantified for each of the previously identified material issues, weights were assigned to each of the inputs that made up the internal and external relevance and a weighted average was made in order to identify which were the most important ESG aspects. relevant to the different stakeholders of Aurica. With the results, the following materiality matrix was developed:

External relevance	Very High		<b>Environmental</b> <ul style="list-style-type: none"><li>• Carbon footprint</li></ul> <b>Social</b> <ul style="list-style-type: none"><li>• Diversity and inclusion</li></ul> <b>Governance</b> <ul style="list-style-type: none"><li>• ESG Government</li></ul>	<b>Governance</b> <ul style="list-style-type: none"><li>• Long-term growth and value creation</li><li>• Communication &amp; transparency</li><li>• Ethics, integrity and competitive behavior</li><li>• Compliance with regulation</li></ul>
	High	<b>Environmental</b> <ul style="list-style-type: none"><li>• Circular economy</li></ul> <b>Social</b> <ul style="list-style-type: none"><li>• Safety, health and wellness</li></ul> <b>Governance</b> <ul style="list-style-type: none"><li>• Customer privacy and cybersecurity</li></ul>	<b>Environmental</b> <ul style="list-style-type: none"><li>• Consumption and efficiency of energy and water</li></ul> <b>Social</b> <ul style="list-style-type: none"><li>• Talent attraction and retention</li></ul> <b>Governance</b> <ul style="list-style-type: none"><li>• Responsible investment</li><li>• Risk management</li></ul>	<b>Governance</b> <ul style="list-style-type: none"><li>• Governance structure</li></ul>
	Medium	<b>Environmental</b> <ul style="list-style-type: none"><li>• Supply chain management</li></ul> <b>Social</b> <ul style="list-style-type: none"><li>• Training and development</li><li>• Compensation and career plan</li></ul>	<b>Social</b> <ul style="list-style-type: none"><li>• Relations with communities</li><li>• Customer satisfaction</li><li>• Product/service quality and customer safety</li></ul> <b>Governance</b> <ul style="list-style-type: none"><li>• Resilience of the business model</li></ul>	
		Medium	High	Very High
	Internal relevance			

Material issues in cells shaded gray

The vertical axis of external relevance shows the importance that each ESG issue could have in the decisions/assessments of Aurica Capital's stakeholders, based on the conclusions of the benchmark analysis of different national and international private equity managers with ESG best-practices, industry opinion leaders, ESG opinion leaders, and surveys of employees and portfolio companies.

The horizontal axis of internal relevance shows the relevance that each ESG issue could have for Aurica Capital in order to fulfill its strategy, based on the responses during the interviews with the management team and investors.

As can be seen in the materiality matrix, the most relevant issues of Aurica Capital are related to governance, which is the ESG aspect that most influences the private capital sector. This does not mean that environmental and social aspects are not considered important, which are also taken into account when making decisions, but governance is the basis of sustainability in the Aurica Capital sector.



Commitment to responsible investment

Aurica Capital has a very clear focus on creating long-term value for its investors thanks to a unique market position and specific value creation levers:



“ ESG is understood in Aurica Capital as a lever for value creation.

Aurica Capital is committed to integrating ESG criteria in the business and in the portfolio.

The objective of our Responsible Investment Policy is to formally establish a general framework of action for the integration of responsible investment practices throughout the investment process.

Aurica Capital is aware of the impact that investment decisions can have on society and dedicates great effort to acting responsibly.

Our objective is to take advantage of the integration of ESG factors in our activity to identify material risks and opportunities in the short and long term. To do this, we rely on the definitions proposed by the International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI) to develop our materiality analysis to assess ESG factors.

The analysis and prioritization of ESG criteria is integrated into all investment stages through the Responsible Investment Procedure. This Procedure establishes specific guidelines distributed through all investment phases.

During the 2021 financial year, Aurica Capital has updated both its Responsible Investment Policy and its Responsible Investment Procedure in order to reflect the methodology used to carry out the materiality analysis of investees based on the Value Reporting Foundation (VRF) and Adapt the TCFD climatic recommendations as much as possible.



Alliances and transparency

Adherence to the United Nations Principles for Responsible Investment (PRI)

Aurica Capital has been a signatory to the United Nations Principles for Responsible Investment (UN-PRI) since February 2016.

These Principles will be maintained throughout the life of the investments and divestments, in order to promote the implementation of the Principles in the daily management of the portfolio. We ensure proper implementation of the UN-PRI through our Responsible Investment Policy, which includes, among others, the commitment to incorporate ESG criteria throughout the investment process.

After the accession of Aurica Capital to UN-PRI, we are committed to the six principles defined in the same.

Reports and transparency

We comply with our commitment to transparency as signatories of the UN-PRI, and we commit to our investors and stakeholders to regularly inform them of the progress made in matters related to ESG.

- We are committed to preparing this ESG Report annually to disclose the progress of ESG and its integration into the business both in the management company and in the portfolio.
- Finally, as UN-PRI signatories, we commit to publicly reporting our progress on responsible investment in the annual UN-PRI Transparency and Climate Reports.

We have published our Transparency Report since 2018 and our Climate Change Report since 2020, obtaining an “A Grade” in the 2020 published reports (2019 performance).

We have also released our 2020 Climate and Performance Transparency Reports, the results of which have not yet been published by the PRI due to the incorporation of changes requested by its signatories and the resolution of some formatting issues in its data portal. For this same reason, during the 2021 financial year, Aurica has not sent the PRI questionnaire since the institution is still processing the resolution of the 2020 performance report.



Principles for Responsible Investment



Membership and supports

We acknowledge that the **integration of responsible investment practices in the Private Equity industry can create an outstanding positive impact on society** and maximize the overall value of our beneficiaries and clients. Therefore, Aurica Capital is a member of **Invest Europe** and **ASCRI**, two associations **representing the private equity sector in Europe and Spain**. Our membership in these two private equity organizations ensure that our political influence as an **organization is aligned with our commitment to the 6 Principles of the UN-PRI**. Our commitment to the Spanish Private Equity is shown through our membership in the Board of Directors of ASCRI since 2019.



Aurica Capital supports the **2015 Paris Agreement global framework**, the **UN Guiding Principles on Business and Human Rights**, the **Task Force on Climate-Related Financial Disclosures (TCFD)**, the **Sustainable Development Goals (SDGs)** and the **United Nations 2030 Agenda**.



Commitment to the SDGs

It is of great importance to us **to assess our own contribution to the SDGs**, ensuring its embedment into our business model. We **actively contribute to the following SDGs through our activity**:

Aurica Capital’s Contribution to the SDGs

<p>We promote sustained economic growth, higher levels of productivity and technological innovation. We encourage employment creation in Aurica Capital and in our investees, ensuring decent work across the different activities.</p>	<p>We invest in innovation as a crucial driver of economic growth and development. We promote sustainable industries, and investing in innovation, which are important ways to facilitate sustainable development.</p>	<p>We believe that the SDGs can only be fulfilled with strong global partnerships and cooperation. Partnerships and cooperation with our investees are key to the development of our business.</p>
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Commitment of Aurica Capital with the Goals of the SDGs

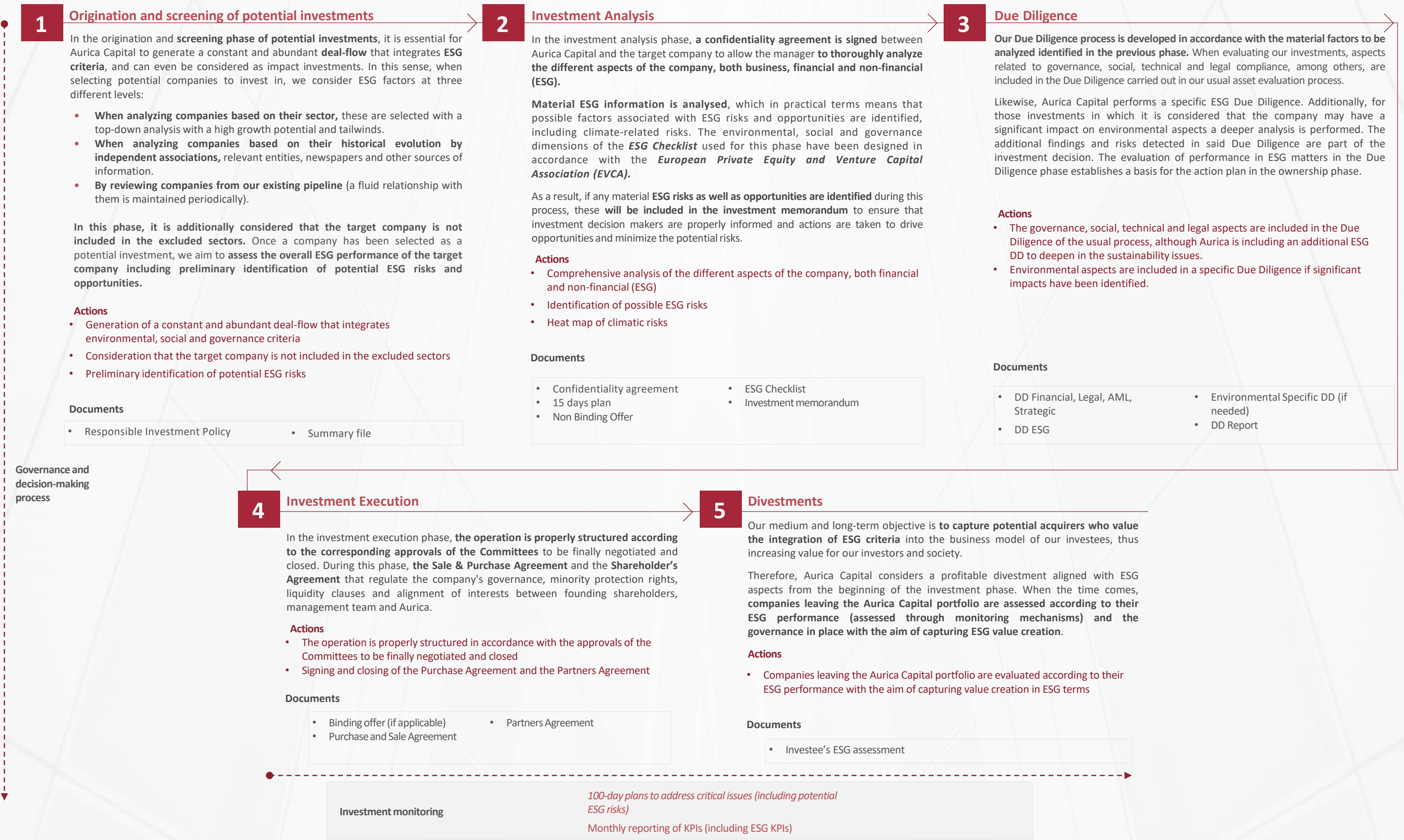
<p><b>Target 8.1:</b> Sustain per capita economic growth</p>	<p><b>Target 9.1:</b> Develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being.</p>	<p><b>Target 17.1:</b> Strengthen domestic resource mobilization, to improve domestic capacity for revenue collection.</p>
<p><b>Target 8.2:</b> Achieve higher levels of economic productivity through diversification.</p>	<p><b>Target 9.2:</b> Promote inclusive and sustainable industrialization.</p>	<p><b>Target 17.14:</b> Enhance policy coherence for sustainable development.</p>
<p><b>Target 8.8:</b> Protect labor rights and promote safe and secure working environments for all workers.</p>	<p><b>Target 9.3:</b> Increase the access of small-scale industrial and other enterprises, to financial services.</p>	<p><b>Target 17.16:</b> Multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources.</p>

Note: For future exercises we will define our contribution to the SDGs through specific KPIs.

Finally, an essential aspect of our contribution to the SDGs is the own contribution of our investees, which is periodically reviewed, monitored and supervised by Aurica Capital (See the “Our portfolio” section for more information on the contribution of our portfolio to the SDGs).



Key phases of the Responsible Investment Procedure and integration of ESG aspects



Investment monitoring

Aurica Capital develops a very proactive monitoring of its investees. In this sense, all the companies in the portfolio must report a set of relevant business, financial and ESG indicators on a monthly basis, which allows us to get involved in day-to-day management and maintain a high level of commitment to them. Those reports are reviewed in detail, including ESG criteria, at the Management Committees of each of the investees, which are held once a month, and at the Board of Directors, which is held quarterly.

As mentioned, the investees’ monthly reporting includes a dedicated ESG KPIs section, which allows Aurica Capital to understand how each of the companies are evolving towards a more sustainable management and their impact on ESG aspects.

It is important to note that, exclusively for ESG indicators, investees count with a specific ESG KPIs assessment tool and an ESG reporting and consolidation system.

Based on the ESG reports of our investees, Aurica Capital creates a comprehensive scorecard for assessing ESG aspects (covering all investees) to strengthen the evaluation and monitoring of ESG issues in a holistic manner and understand the results of sustainability planned and unplanned. The results are shared with the governing bodies of Aurica Capital and in its own quarterly Reporting Report for investors.



Governance and decision-making process

Governance and decision-making process aspects are integrated across the different phases of the Responsible Investment Procedure.

Since its constitution, Aurica Capital has maintained an investment strategy in the capital of Spanish companies through minority but significant stakes (between 20% and 49%), with a hands-on approach in managing the assets of the portfolio.

As described in the “Management approach and governance” section of this report, Aurica Capital has presence on the Board of Directors and on the Management Committee of its investees. Additionally, Aurica Capital strengthens Management Team with the objective of rolling out transformational business plans.

Finally, Aurica Capital counts with specific governance bodies such as the Investment Committee, the Executive Committee,, Advisory Board, Aurica Capital’s Board of Directors and the ESG and Climate Committee.





Commitment to the Task Force on Climate-Related Financial Disclosures (TCFD)

Below is the summary of the action plan prepared by Aurica Capital with the tasks to be carried out based on the recommendations of the TCFD. Additionally, each of the initiatives has a development, a person in charge and an associated calendar.

Governance

Target	Action	Current state
A. To raise climate awareness throughout the organization	1. To include in the current training climate-related topics.	Completed
	2. To define climate oversight responsibilities at board and executive level.	Completed
B. To define a climate dedicated governance	3. To define climate assessment and management responsibilities at board and management level.	Completed

Strategy

Target	Action	Current state
C. To develop a simplified implementation plan	4. To identify macro-level risks and opportunities through sector during the different stages of investment process such as screening and Due Diligence.	Completed
	5. To define an implementation plan through the definition of quantitative and qualitative climate objectives for the different investees.	In progress
D. To conduct materiality analysis on current portfolio holdings to identify climate risk exposure.	6. To include climate elements within pre-acquisition due diligence by defining documented procedures to identify climate and ESG risk exposure.	In progress
	7. To identify portfolio companies with the highest exposure to climate risks and conduct in-depth climate analysis.	In progress

Risk Management

Target	Action	Current state
E. To define key climate performance indicators for each portfolio holding.	8. For the companies most exposed to climate-related risks, engage with management to define an action plan to strengthen climate resilience.	In progress
F. To fully integrate climate considerations within the investment process.	9. Develop climate-related scenarios when climate-related risks have been identified across the portfolio (medium/high risks).	Not started

Metrics and targets

Target	Action	Current state
G. To support holdings with tools and recommendations to address climate risks.	10. When material risks are identified, to define climate targets at portfolio level (e.g. risk exposure, resilience, carbon footprint, 2ºC Alignment).	In progress
H. To conduct yearly reviews of portfolio companies to assess progress towards climate objectives.	11. Consider metric and targets in the yearly ESG reporting and internal investment procedures (e.g. pre-acquisition and after climate due diligence).	Not started

Calculation of the carbon footprint of Aurica Capital and emission reduction objectives

According to the objectives that we set for 2021, Aurica Capital has also calculated its carbon footprint. Aurica Capital's carbon footprint is made up of the management company's own Scope 1, 2 and 3 emissions. The categories of Scope 3 emissions that are taken into account are “Leased Assets” (where rental car trips would enter), “Business Trips” (which takes into account the estimated emissions of plane and train trips) and "Investments". This last category, which is the most relevant for Aurica Capital, is made up of the Scope 1 and 2 issues of its investees.

In regards to electricity (Scope 2), Aurica reports its emissions using the "Market-based" method. Following this method, renewable energy has no associated emissions and, for non-renewable electricity, the residual mix of each country where the investees operate is used. In the event that the residual mix is not available for any country, its energy mix has been used.

With all this, the carbon footprint of Aurica Capital would be as follows:

Typology of emissions (Tn CO <sub>2</sub> eq)	Scope 1			Scope 2	Scope 3						Total (Scopes 1, 2 y 3)	% Total (Scopes 1, 2 y 3)
					Scope 1 (investees)			Scope 2 (Investees)	Scope 3 (asset manager)			
Firm	Gasoil	Natural Gas	LPG	Electricity	Gasoil	Natural Gas	LPG	Electricity	Rental cars	Plane and train		
Asset manager												
Aurica Capital	-	-	-	0,83	-	-	-	-	19,86	2.693,64	2.714,33	13,56%
Portfolio												
SamyRoad	-	-	-	-	-	-	-	0,28	-	-	0,28	0,00%
Agrosol	-	-	-	-	819,55	8.364,71	-	-	-	-	9.184,26	45,87%
Larrumba	-	-	-	-	-	272,66	-	632,92	-	-	905,58	4,52%
BABEL	-	-	-	-	1,06*	-	-	240,35*	-	-	241,41*	1,21%*
Delta Tecnic	-	-	-	-	-	-	-	1.208,78	-	-	1.208,78	6,04%
Winche	-	-	-	-	2.139,76	-	141,47	-	-	-	2.281,23	11,39%
Flex	-	-	-	-	321,03*	895,82*		2.249,37*	-	-	3.466,22*	17,31%*
STi Norland	-	-	-	-	-	5,16	-	13,95	-	-	19,11	0,10%
Total	-	-	-	0,83	3.281,40	9.538,34	141,47	4.345,65	19,86	2.693,64	20.021,20	100%
	-			0,83	20.020,37						20.021,20	100%

\* Differences between the 2021 emissions calculated for Grupo Babel and Flex and those reported in its EINF due to the use of different calculation methodologies.

TCFD Action taken based on TCFD recommendations. Pillar of Metrics and objectives.

Once the carbon footprint of Aurica Capital has been calculated, a comparison has been made between **the Scope 1 and 2 emissions of the investees with the results of the calculation of the previous year**. In general, emissions have increased slightly in all investees, with the exception of Flex. This is because the investees have been able to resume their usual activity in 2021 after the Covid-19 pandemic, which mainly affected 2020. Additionally, the following aspects must be considered:

- The growth of SamyRoad, which is now more active in Brazil and the United States,
- Agrosol's electricity consumption, which in 2021 was entirely from renewable sources,
- the change in the consumption and emission data of the Larrumba Group, which in 2021 includes all the restaurants while in 2020 it included only the data of the central offices; and
- the change in the calculation methodology of scope 2 of Flex with respect to the previous year.

In 2021, **Aurica Capital has established emissions reduction targets for 2022** in the investees that emit the highest percentage of the total and that represent 86% of the total emissions of the portfolio. For those investees with a weight less than or equal to 6%, no emission reduction targets have been established. Although Aurica Capital is not committed to the Science Based Target Initiative (SBTi) association, it has used its public tool\* to establish the objectives, **analyzing each case individually to see if the investees could achieve objectives aligned with well-below 2°C (WB2C) for the year 2026 with a base year of 2021**.

(Tn CO <sub>2</sub> eq)	2020			2021			Variation			Weight (Scopes 1 & 2)	Targets
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total		
SamyRoad	0	0,08	0,08	0	0,28	0,28	0%	244%	244%	0%	
Agrosol	9.079	548	9.627	9.184	0	9.184	1%	-100%	-5%	53,1%	To reduce Scope 1 emissions by 12,5% by 2026 aligned with SBTi WB2C considering base year 2021.
Larrumba	16	4	20	273	633	906	1.604%	15.723%	4.428%	5,2%	
Babel**	0	245	245	1	240	241	0%	-2%	-1%	1,4%	
Delta Tecnic	0	1.086	1.086	0	1.209	1.209	0%	11%	11%	7,0%	
Winche	2.126	0	2.126	2.281	0	2.281	7%	0%	7%	13,2%	To reduce Scope 1 emissions by 12,5% by 2026 aligned with SBTi WB2C considering base year 2021.
Flex**	n.d.	n.d.	n.d.	1.217	2.249	3.466	n.d.	n.d.	n.d.	20,0%	
STI Norland	5	14	19	5	14	19	3%	0%	1%	0%	
Total	11.226	1.897	13.123	12.961	4.346	17.307	15%	129%	32%	100%	



Action taken based on TCFD recommendations.  
Pillar of Metrics and objectives.

\*Source: SBTi Tool- <https://sciencebasedtargets.org/wp-content/uploads/2018/11/SBTi-tool.xlsx>

\*\*The 2020 emissions of Delta Tecnic and Flex are not the same as in the ESG report of Aurica Capital of the previous year due to the homogenization of the calculations. Additionally, there are differences between the 2021 emissions calculated for Babel and Flex and those reported in their EINF due to the use of different calculation methodologies.



Commitment to our portfolio

Materiality analysis of our investees

In the 2021 financial year, Aurica Capital has not only carried out its own materiality analysis as a manager, but also at the investee level to learn about the main material issues related to ESG, including climate issues.

To carry out the materiality analysis, the sectors in which the investees of Aurica Capital operate and those material issues were identified based on the relevant aspects for each sector assigned by the *Value Reporting Foundation (VRF)*, an entity that emerged from the merger of SASB and “Integrated Reporting”.

The sectors and relevant aspects identified for each of the investees according to the VRF materiality map are as follows:

Firm	Sector	Environmental	Social		Governance	
		Environment	Social capital	Human capital	Business model & Innovation	Leadership & Governance
Agrosol	Agricultural products	<ul style="list-style-type: none"><li>GHG Emissions</li><li>Energy Management</li><li>Water &amp; Wastewater Management</li></ul>	<ul style="list-style-type: none"><li>Product Quality &amp; Safety</li></ul>	<ul style="list-style-type: none"><li>Employee Health &amp; Safety</li></ul>	<ul style="list-style-type: none"><li>Supply chain management</li><li>Materials Sourcing &amp; Efficiency</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>
Samyroad	Advertising & Marketing	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Customer Privacy</li><li>Selling Practices &amp; Product Labeling</li></ul>	<ul style="list-style-type: none"><li>Employee Engagement, Diversity &amp; Inclusion</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>
Grupo Larrumba	Restaurants	<ul style="list-style-type: none"><li>Energy Management</li><li>Water &amp; Wastewater Management</li><li>Waste &amp; Hazardous Materials Management</li></ul>	<ul style="list-style-type: none"><li>Product Quality &amp; Safety</li><li>Cultomer Welfare</li></ul>	<ul style="list-style-type: none"><li>Labor Practices</li></ul>	<ul style="list-style-type: none"><li>Supply chain management</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>
Flex	Building Products & Furnishing	<ul style="list-style-type: none"><li>Energy Management</li></ul>	<ul style="list-style-type: none"><li>Product Quality &amp; Safety</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Product design &amp; Lifecycle Management</li><li>Supply chain management</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>
Babel	Professional & Commercial services	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Data Security</li></ul>	<ul style="list-style-type: none"><li>Employee Engagement, Diversity &amp; Inclusion</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Business Ethics</li></ul>
Delta Tecnic	Chemicals	<ul style="list-style-type: none"><li>GHG Emissions</li><li>Air Quality</li><li>Energy Management</li><li>Water &amp; Wastewater Management</li><li>Waste &amp; Hazardous Materials Management</li></ul>	<ul style="list-style-type: none"><li>Human Rights &amp; Community Relations</li></ul>	<ul style="list-style-type: none"><li>Employee Health &amp; Safety</li></ul>	<ul style="list-style-type: none"><li>Product design &amp; Lifecycle Management</li></ul>	<ul style="list-style-type: none"><li>Management of the Legal &amp; Regulatory Environment</li><li>Critical Incident Risk Management</li></ul>
Winche	Professional & Commercial services	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Data Security</li></ul>	<ul style="list-style-type: none"><li>Employee Engagement, Diversity &amp; Inclusion</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Business Ethics</li></ul>
STI Norland	Solar Technology & Project developers	<ul style="list-style-type: none"><li>Energy Management</li><li>Water &amp; Wastewater Management</li><li>Waste &amp; Hazardous Materials Management</li><li>Ecological Impacts</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Product design &amp; Lifecycle Management</li><li>Materials Sourcing &amp; Efficiency</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>

“ Our ESG commitment is reflected throughout our portfolio.

Climate risk analysis of our investees

During the 2021 financial year, a first approximation of the identification of **the level of climatic risks, both physical and transition, at a macro level was made for each of our investees**. The climate risk levels of the portfolio companies have been established based on their sectoral and geographic risk components. **For the sectoral aspect of the risks**, information from the MSCI and the CSA/DJSI questionnaire has been taken into account, and **for the geographical aspect of the risks**, the ND-GAIN Country Index and the Energy Transition Index (ETI)\* have been used.

Once the possible risks of each sector and geography have been identified, a weighting of the information from all sources has been carried out to identify the level of climate risk of each investee and generate the following **matrix of physical and transition climate risks**.

Physical risks derived from climate change

- Acute:** event-driven exposures, including increased severity of extreme weather events (cyclones, hurricanes, floods, etc.); and
- Chronic:** Long-term changes in weather patterns (sustained higher temperatures) that can lead to, for example, rising sea levels or chronic heat waves.

Agrosol Export	SamyRoad	Grupo Larrumba	Flex	BABEL	Delta Tecnic	Winche	STI Norland
Medium	Low	Low	Low	Low	Medium	Low	Medium

Transition risks resulting from the transition to a low-carbon economy

- Political and legal:** the evolution of regulations and possible litigation or legal risks;
- Technological:** technological improvements or innovations that support the transition to a lower carbon and energy efficient economic system;
- Market:** the effects of climate change on supply and demand; and
- Reputation:** changing customer or community perceptions around climate considerations.

Agrosol Export	SamyRoad	Grupo Larrumba	Flex	BABEL	Delta Tecnic	Winche	STI Norland
Medium	Low	Low	Medium	Low	Medium	Low	Medium

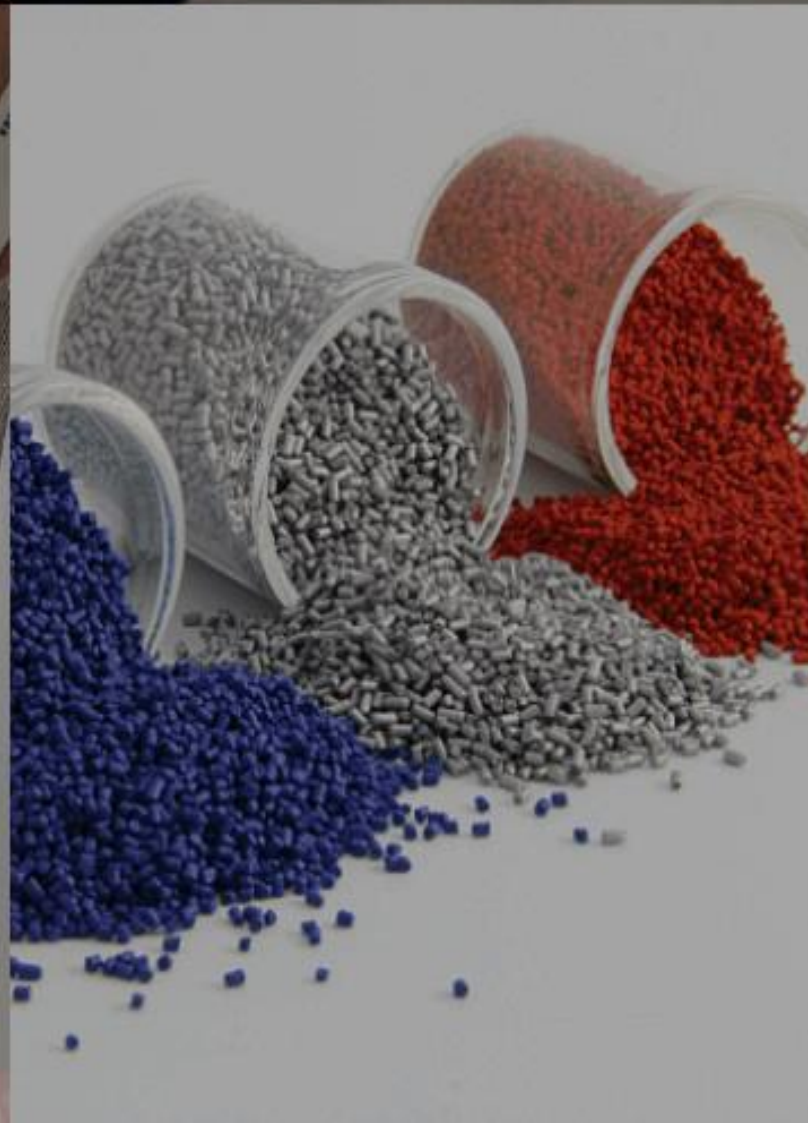
TCFD Action taken based on TCFD recommendations. Risk Management Pillar.

Aurica Capital is going to use this **climate risk matrix to dig deeper into the risks**. In all those investees with a **medium or higher level of climate risk**, regardless of whether it is physical or transitional (Agrosol Export, Flex, Delta Tecnic and STI Norland), Aurica Capital will carry out an **analysis at the micro level** with the aim to identify the **specific climate risks that affect these companies in the portfolio**. Additionally, Aurica Capital is also considering carrying out an **analysis of the opportunities** of these investees to reduce the climatic risks that affect them.

\*Sources:  
MSCI: <https://www.msci.com/our-solutions/esg-investing/esg-ratings/materiality-map>  
CSA // DJSI: [https://portal.csa.spglobal.com/survey/documents/CSA\\_Weights.pdf](https://portal.csa.spglobal.com/survey/documents/CSA_Weights.pdf)  
ND-GAIN Country Index: <https://gain.nd.edu/our-work/country-index/>  
ETI: <https://www.weforum.org/reports/fostering-effective-energy-transition-2021/in-full/rankings>













# Our portfolio

## Overview

	Main ESG aspects	ESG opportunities for 2022
 <p>Renewable energy</p>	<p>STI Norland solar trackers allow an increase in the production of photovoltaic installations in the range of 15-20%, <b>reducing CO2 emissions and avoiding the felling of trees.</b></p>	<ul style="list-style-type: none"> <li>They have not been identified given that during the first half of 2022 they have been totally disinvested and will not be part of the Aurica Capital portfolio.</li> </ul>
 <p>Digital marketing</p>	<p>The organization is an example of <b>gender diversity, with 65% women in the general workforce and 46% women in the “Directors and Managers”</b> category. Given SamyRoad's digital business model, the <b>impact on the environment is very limited.</b></p>	<ul style="list-style-type: none"> <li>Develop a human resources policy to formalize current practices in the organization.</li> <li>Progressively improve the control environment of certain indicators such as hours of training based on continuous monitoring.</li> </ul>
 <p>Agriculture</p>	<p><b>Agrosol Export has 207 ha in production, of which 52 ha are organic greenhouses and 62 ha are high-tech greenhouses.</b> It has measures to <b>protect biodiversity</b> such as <b>integrated pest control and biocontrol systems</b> in conjunction with <b>natural pollination</b>. Agrosol Export has developed <b>industrial cogeneration with energy saving systems</b> where the heat is used in high-tech greenhouses and <b>the CO2 is injected into the plants.</b></p> <p>The organization has implemented <b>more efficient irrigation systems</b> with rainwater recovery and irrigation mechanisms. In 2021, solar panels were implemented to increase the consumption of renewable energy.</p>	<ul style="list-style-type: none"> <li>Develop environmental and human resources policies to establish environmental limits in the company's operations and formalize the actions carried out.</li> <li>Gradually increase organic production and continue investing in innovation and energy saving projects such as the LED lighting installation project, which reduces water and fertilization needs.</li> </ul>
 <p>Hotels and restaurants</p>	<p>During 2021, a human resources management tool was implemented that facilitates the monitoring of certain social KPIs at a much more specific level than before.</p> <p>Larrumba trusts HarBest Market to work directly with national farmers reducing emissions.</p> <p>On the other hand, the company continues to develop <b>various social initiatives</b> such as the "Solidarity Dessert" (a donation of 15 cents to the Emailakat Foundation for each dessert purchased in a Larrumba Group restaurant), <b>and collaborates with several foundations to support people at risk of social exclusion and people with disabilities.</b></p>	<ul style="list-style-type: none"> <li>Appoint a centralized environmental manager at the group level, to develop a comprehensive vision and management of environmental aspects.</li> <li>Develop a transversal sustainability policy that includes ESG aspects.</li> <li>Implement KPIs and monitor at the restaurant level.</li> </ul>

	Main ESG aspects	ESG opportunities for 2022
 <p>Mattresses and rest equipment</p>	<p>The company carries out a great control in relation to its suppliers. During 2021, 85% of its suppliers have signed the code of ethics and 79% of purchases were from local suppliers. <b>On the other hand, the company has initiatives in Iberia to develop mattresses with recycled materials</b> with the aim of rationalizing the environmental impact. <b>The initiative is in line with the global goal of increasing the recyclability of used mattresses.</b></p>	<ul style="list-style-type: none"> <li>Roll out the initiative to develop mattresses with recycled materials at an international level and reduce CO2 emissions.</li> <li>Develop governance and human resources policies to formalize current practices in the organization.</li> </ul>
 <p>Technology consulting</p>	<p>The organization has <b>human resources and governance policies</b> as well as project data protection and aims <b>to seek the happiness of its employees.</b> Given Babel's <b>digital business model</b>, the impact on the environment is very limited. Even so, they have an external electronic waste manager.</p>	<ul style="list-style-type: none"> <li>Develop a common comprehensive framework in all offices that encompasses elements from all ESG aspects to measure and consolidate relevant KPIs.</li> <li>Further reduce the carbon footprint by offsetting emissions.</li> </ul>
 <p>Chemicals</p>	<p>Delta Tecnic has a comprehensive policy approach <b>that covers quality, the environment and the prevention of accident risks.</b> The organization manages the generation of waste, with Delta Tecnic has a comprehensive policy approach that covers quality, the environment and the prevention of accident risks. The organization manages the generation of waste, with a <b>valorization rate of 58%.</b> In addition, the company performs an internal calculation of its carbon footprint.</p>	<ul style="list-style-type: none"> <li>Streamline environmental management, specifically towards reducing energy consumption, reducing CO2 emissions and waste management.</li> <li>Consolidate the internal calculation of the carbon footprint.</li> </ul>
 <p>Commercial networks</p>	<p><b>Winche has a fleet of non-electric vehicles</b> (cars and motorcycles), although they run on liquefied gas. In addition, 100% of the electricity consumed is of renewable origin. On the social side, <b>the company promotes a very meritocratic promotion system</b> and the headquarters have a “paperless office” policy. The organization participates in the <b>November campaign</b> to fund men's health programs.</p>	<ul style="list-style-type: none"> <li>Develop governance and human resources policies to formalize current practices in the organization.</li> <li>Introduce electric vehicles in the fleet in order to reduce Scope 1 emissions.</li> <li>Establish measures to increase the presence of women in management positions to ensure gender equality in the company.</li> </ul>

During 2021 we have continued to monitor the ESG aspects of last year in addition to including several new interesting indicators for our stakeholders. Additionally, different ESG objectives have been developed, as well as action plans that serve as a guide in order to meet them for each of our portfolio companies.

In addition, during 2021 we have continued to preliminarily define the main aspects of ESG and the opportunities for 2022 in all our investees.

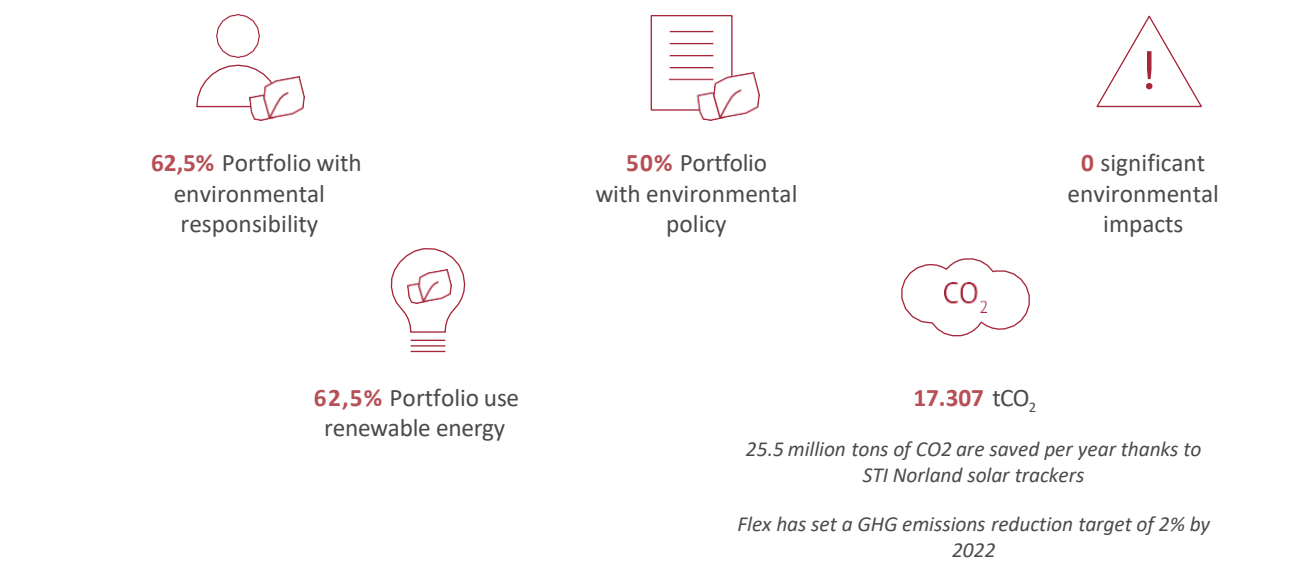
The companies in our portfolio have a **specific ESG reporting and consolidation** system that allows Aurica Capital **to monitor how companies are evolving towards more sustainable management and their impact on ESG aspects**.

**Our commitment to our investees is to identify the opportunities and risks of the ESG universe and provide them with all the support they may need to progressively improve in terms of ESG integration.**

Environmental management

	STI Norland*	SamyRoad	Agrosol Export	Grupo Larrumba	Flex	BABEL	Delta Tecníc	Winche
Overview								
Environmental responsible	Yes	No	Yes	No	Yes	Yes	Yes	No
Environmental policy	Yes	No	No	No	Yes	Yes	Yes	No
Climate risk mitigation measures	Data not available	No	No	No	No	No	No	No
Environmental procedures and certifications	ISO 14.001	No	Environmental Management Plans	No	ISO 14.001, FSC	ISO 14.001	ISO 14.001	No
KPIs								
Total fuel consumption (kWh)	25.400	0	44.182.352	1.343.341	5.577.252	3.850	0	8.437.315
Electricity consumption (kWh)	55.816	1.160	2.616.224	4.740.969	7.434.636	1.069.763	4.835.136	61.174
CO2 emissions (tCO2)**	19	0,275	9.184	906	3.466	241	1.209	2.281
Water consumption (m3)	175	350	889.352	61.500	21.348	Data not available***	2.978	430
Raw material consumption	Steel, plastic, electronic components , paper	Plastic, paper	Plastic, fertilizer, insecticides and pesticides	Paper	Fiber, fabric, wood, steel, glue, foam	Paper	Paper, pigments, additives, resins	Paper
Waste (kg)	13.682	No significativo	1.160.000	32.918****	3.896.900	No significativo	535.909	No significativo

*\*STI Norland data are estimates based on 2020 information.*  
*\*\* The data refer only to Scope 1 and 2 emissions, except for SamyRoad (only scope 2), Delta Tecníc (only scope 2) and Winche (only scope 1).*  
*\*\*\* Babel's water consumption is included in the rental contract.*  
*\*\*\*\* Grupo Larrumba's waste only includes oils.*

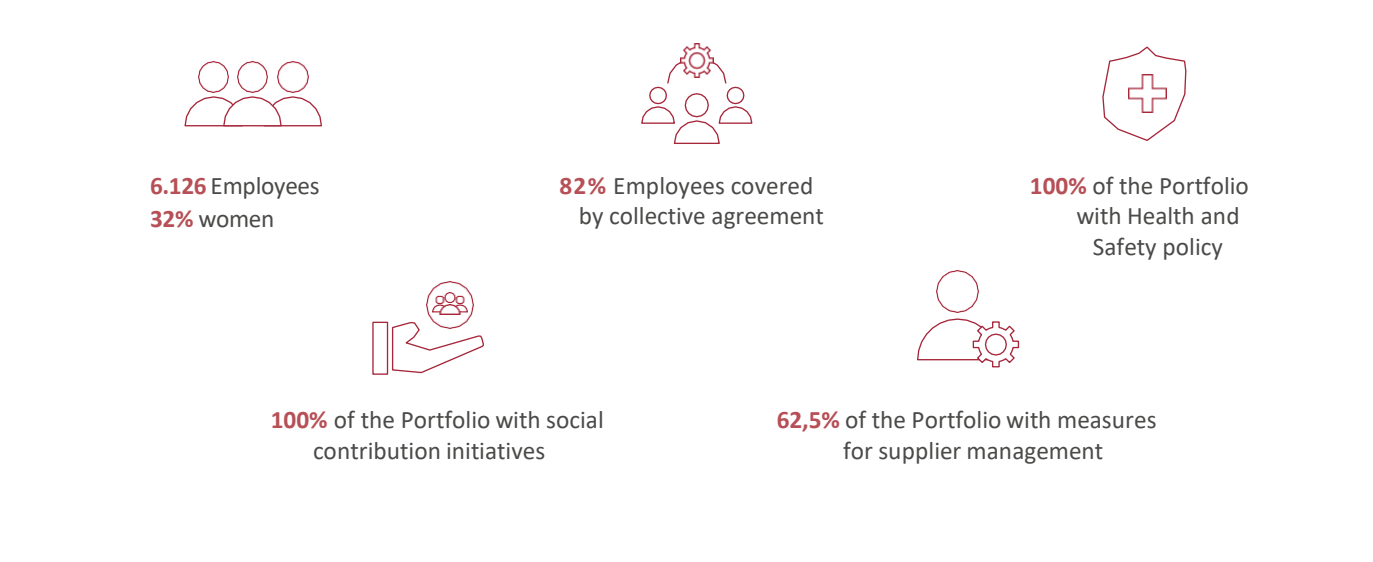


**Notes on the methodological approach::**  
**CO2 emissions (tCO2):** Estimates have been made to calculate CO2 emissions, with a conservative approach and conversion factors from official institutions.

Social management

			STI Norland*	SamyRoad	Agrosol Export	Grupo Larrumba	Flex	BABEL	Delta Tecníc	Winche
General	Overview	Employee location	Spain, Brazil, Chile, USA, Mexico, South Africa, Australia, India	Spain, Portugal, UK, Brazil, Chile, USA, Colombia, Mexico, Argentina, Peru	Spain	Spain	Spain, Portugal, UK, Canada, Brazil, Chile, USA	Spain, Portugal, Chile, Mexico, Morocco	Spain	Spain, Portugal
		Promotion of diversity in the organization	Data not available	Yes	Yes	Yes	Yes	No	No	No
		Employment of people at risk of poverty or social exclusion	Data not available	No	Yes	Yes	No	No	No	No
	KPIs	Number of employees	221	285	468	737	1.829	1.962	159	465
		% covered by collective agreement	100%	0%	100%	97%	67%	89%	100%	100%
		Employees with disabilities	3	0	5	2	13	23	0	2
Health and safety	Overview	Health and safety policy or other certifications	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Accidents with sick leave	12	8	7	225	74	0	10	13
		Hours of absenteeism (excluding maternity/ paternity leave)	5.186	936	16.488	102.640	146.114**	38.989	8.488	47.816
Social contribution	Overview	Collaboration with social initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Monitoring of customer satisfaction	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Clients and suppliers	Overview	Product / service with greater positive impact on women	No	No	No	No	Yes	No	No	No
		Supplier contracting policy	Yes	No	No	No	Yes	Yes	Yes	Yes
		Materials / services from local suppliers	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*\*\*STI Norland data are estimates based on 2020 information.*  
*\*\*Flex figures include maternity and paternity leave.*






	STI Norland*	SamyRoad	Agrosol Export	Grupo Larrumba	Flex	Babel	Delta Tecnica	Winche
Overview								
Materiality analysis	No	No	No	No	Yes	No	Yes	No
Code of Ethics	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Harassment Protocol/Policy	Data not available	No	Yes	No	Yes	No	Yes	No
KPIs								
CEO is a woman	No	Yes	Yes	No	No	No	No	No
Training hours	1.544	0	665	Data not available **	12.058	10.535	6.769	1.514
Sanctions and cases of violation or discrimination of human rights	0	0	0	0	0	0	0	0

\*STI Norland data are estimates based on 2020 information.  
\*\* Each restaurant provides ad-hoc training to its employees when they are hired and based on business needs. However, training hours are not monitored.



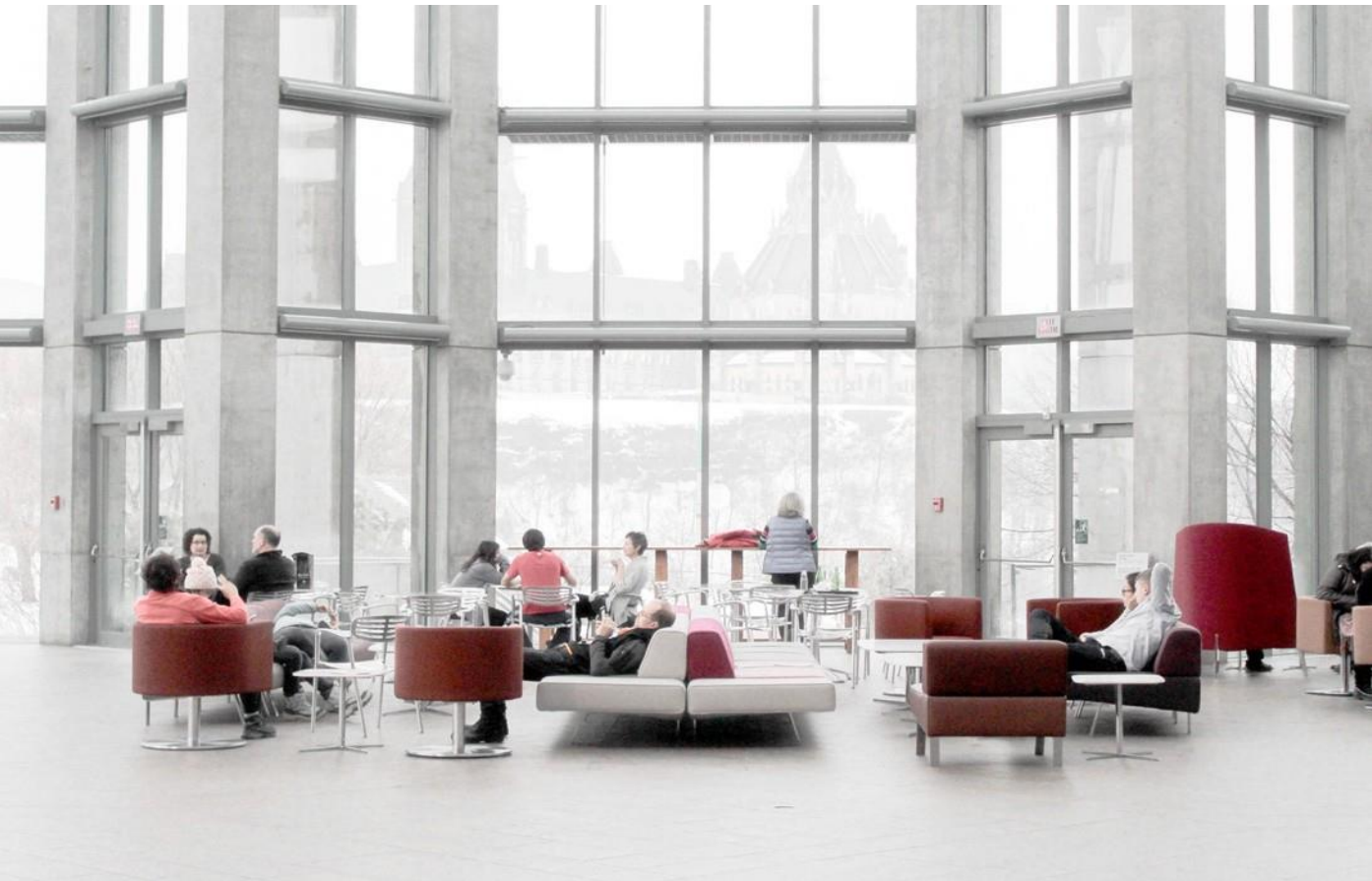
87,5% of the Portfolio with Code of Ethics



87,5% of the Portfolio that provides training



0 Sanctions and cases of violation or discrimination of human rights



STI Norland is one of the world's leading and most experienced companies in the design, manufacture and supply of solar trackers and structures for large-scale solar photovoltaic energy projects.

Founded in 1996 in Pamplona (Spain), STI Norland was a pioneer in Europe in both the development of fixed-tilt structures and solar trackers. Its first solar structure was designed in 1998, building the world's first PV plant with solar trackers in Navarra in 2002. Since then, the company has taken part in the development and execution of many of the world's most important solar plants, supplying solar trackers and fixed structures as well as undertaking their electromechanical assembly.

His pioneer spirit remains in force with the development in 2017 of the first dual-row solar tracker in the market, the STI-H250™.

STI Norland currently supplies structures and solar trackers actively on five continents and has offices in Spain, Brazil, Mexico, Chile, USA, India, Australia and South Africa.



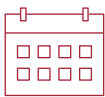
STI Norland was partially divested in January 2022. The data presented for this company is for the 2020 financial year.



Sector  
Renewable energy



Headquarter  
Pamplona



Investment date  
2020



221  
employees



19%  
of women  
12%  
of women Directors  
& Managers



ESG  
Responsible

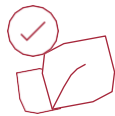
Sustainable Development Goals (SDGs) contribution



Environmental

- STI Norland's business model has an environmental purpose, being one of the most stable and reliable solar tracker companies in the world.
- STI Norland solar trackers allow an increase in the production of photovoltaic installations in the 15-20% range, reducing CO2 emissions and avoiding the felling of trees.
- They have appointed an environmental responsible, it has an environmental policy and resources dedicated to the prevention of environmental risks.
- 15 kWh of installation of solar panels on the roof in its facilities. The same energy generated is returned to the global grid.
- The organization has an initiative of "good environmental practices" so that its employees contribute to the reduction of water, energy and noise pollution, the efficient use of paper and waste management, among others.

Main KPIs



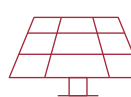
Environment  
al purpose



Environmental  
responsible

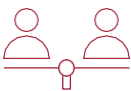


Environmental  
policy



15 kWh of solar  
panels roof  
installation

Main KPIs



Equality plan



Employees  
performance  
feedback



Health & safety  
plan



Suppliers hiring policy and  
50% local hiring targets  
(construction agreements)



Customer  
satisfaction  
survey

Social

- STI Norland has an equality plan, a conflict resolution procedure, a harassment protocol and a health and safety plan.
- The company annually conducts a performance feedback process and a satisfaction survey for all its employees.
- The organization supports the "Osasuna Athletic Club Foundation", contributing to an inclusive women's team. In addition, STI Norland is part of a consortium of several energy companies in collaboration with the Public University of Navarra.
- A customer satisfaction survey is carried out annually and the pertinent steps are taken based on the results obtained.
- Currently, STI Norland has a supplier evaluation process, a supplier contracting policy and has set a goal of 50% of local contracting for construction contracts.

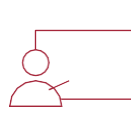
Governance

- STI Norland's business model has an ESG purpose in itself, leading the solar industry with its products and services.
- The company provides training to 100% of the employees.

Main KPIs



ESG Purpose



Training to 100%  
employees



Highlights

STI Norland solar trackers have great positive effect in the environment:



STI Norland solar trackers allow a production increase of photovoltaic installations in the range of 15-20% versus fixed structure installation. Trackers have a market share around 20-25% worldwide but its boosting.

Since its foundation, the company has participated in the construction of more than 6.8 GW of photovoltaic plants until 2020. At the date of issuance of this report, more than 6 GW of solar photovoltaic plants are in pipeline.

25.5 million tons of CO2 per year are saved thanks to STI Norland solar trackers, prevented the felling of more than 1 315 million trees.

Main social initiatives





SamyRoad is an influencer marketing platform that uses artificial intelligence-based predictive technology developed by linhouse (ShineBuzz) to simulate the results of digital marketing campaigns for more than 200 brands to reach 42 million social influencers around the world by performing more than 1,000 annual marketing campaigns.

It is a community of 30,000 creators and influencers who build visual stories for brands. Since its inception more than eight years ago, SamyRoad has transformed exceptional brands into industry leaders through the combination of technology and talent.

SamyRoad was born with the mission of being a business partner for its clients, combining data, strategy, creativity, implementation and measurement.

The organization's services can be summarized as follows:

- Identification of the right influencers (ShineBuzz).
- Visual storytelling creation.
- Campaign revision.
- Results tracking.



Sector  
Digital marketing



Headquarter  
Madrid



Investment date  
2020



285  
employees



65%  
of women  
46%  
of women Directors &  
Managers

Sustainable Development Goals (SDGs) contribution

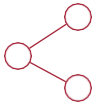


ESG overview

Environmental

- Given SamyRoad's digital business model, the impact on the environment is very limited. The company was born in a digital environment and the goal has always been to **strive for innovation**.
- The company does not consume any type of fuel, so it **does not have scope 1 emissions**.

Main KPIs



Digital business model  
(limited impact on the  
environment)



No scope 1 emissions

Main KPIs



Gender  
diversity



Health & safety  
policy



Work flexibility



Remuneration policy



Hiring non-  
discrimination  
procedure



Performance  
reviews  
every 6 months



Diversity  
committee



Committee for  
social actions

Social

- The organization is an outstanding example of gender diversity, with 65% women employees in the workforce and 46% women in the professional category "Directors and managers".
- The company has a health and safety policy, a Covid-19 protection plan and other documents such as a general remuneration policy or a non-discrimination procedure during the hiring process.
- SamyRoad has a diversity committee that meets at least once a quarter. During 2021, the diversity committee held a total of 4 meetings.
- SamyRoad holds monthly meetings with the teams to share business and non-business updates with the aim of improving the day-to-day of the teams. In addition, the company develops performance reviews every 6 months.
- Work flexibility and telecommuting are in the DNA of the organization, each employee is responsible for their own contribution.
- The company has a "tree planting" initiative where employees can volunteer.
- They have Samy4Nature in Spain, a specific committee to define the social actions that they are going to carry out.
- Suppliers are currently subject to SamyRoad's code of ethics and the organization is working on a formal supplier contracting policy.

Governance

- The company has a formal code of ethics and informal processes regarding remuneration, human rights, and corruption and bribery.
- The company has ISO 27100 (Information Technology - Cybersecurity) and an Information Security Monitoring Committee.
- SamyRoad has created a diverse work team aimed at documenting the main values of the company to prevent them from being imposed by the founders.
- In 2021, SamyRoad has defined the new HOMA business line, within SamyAlliance, to encourage customers to carry out social actions.

Main KPIs



Code of  
Ethics



New line of business to  
encourage social  
actions



Own company  
values



Information  
Security Monitoring  
Committee



Highlighted code of ethics

The organization is an outstanding example of gender diversity, with 65% women employees in the workforce and 46% women in the professional category “Directors and managers”.

In addition, women are above 50% of the total number of employees in almost all professional categories, as shown in the following table:

Professional category	% of women
Directors & Managers	46%
Coordinators & Supervisors	80%
Rest of employees	65%
All professional categories	65%

The difference in the percentage of women compared to the previous year is due to the expansion of the company during 2021, which has meant the hiring of 193 employees.

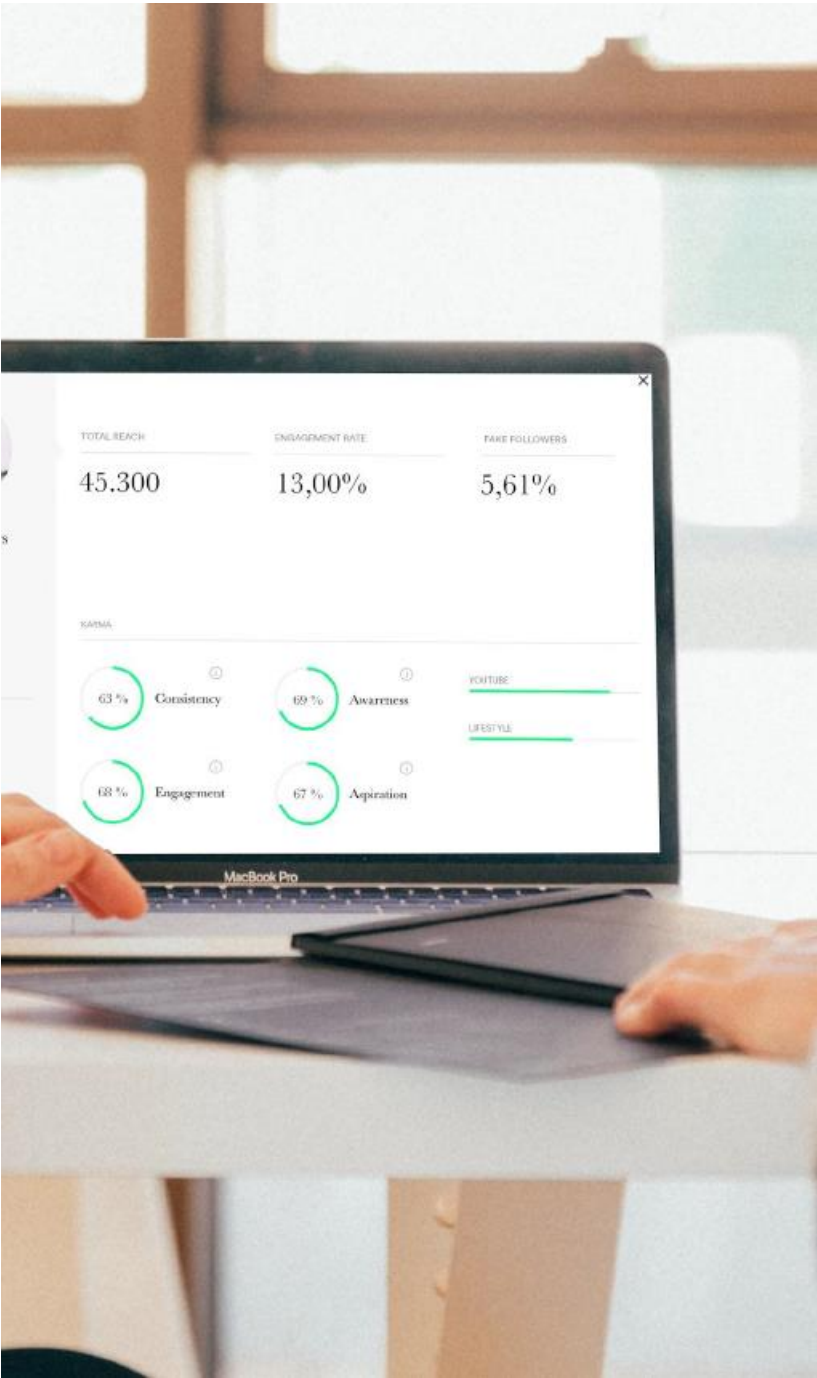
SamyRoad counts with distinguished Code of Ethics, which enhances the wellbeing of their business most relevant variable; their employees:

- We believe in people.
- We think that people is the most relevant variable of our business, as it defines the growth of it.
- We love empowering people.
- We support hiring the right talent with a complete objective vision, promoting equality and diversity within teams.
- We defend the human rights.
- We fight for giving legal and financial support for every individual.
- We trust every person of the company, letting them be independent and grow autonomously.
- We work as a team, collaborating towards a shared goal.
- We trust in diverse teams.
- We provide an inclusive environment composed of diverse profiles.
- We work to achieve a psychological safe space, in where open communication is promoted and where employees must feel free to make suggestions and complaints.
- We respect dignity and recognize merit.
- We believe in ownership of each employee.
- We train leaders to be just and ethical with their actions.

Main social initiatives



ESG targets for 2022



Qualitative

- To review the Code of Ethics Develop a Human Resource (HR) policy including: human rights, diversity, discrimination, harassment and abuse.
- To review the customer privacy practices, and to include a monitoring system for privacy breaches.
- To monitor social impact of new business line "Homa".

Quantitative

- To monitor training hours and employees per "employee code" and "training".
- To monitor product labelling in "influencers" campaigns in 50 Samples pear year.

Agrosol Export ("Agrosol"), founded in 2008, is dedicated to the production and commercialization of horticultural products, mainly peppers, cucumbers and tomatoes with scheduled sales in volume and price with its customers.

During the 2021 campaign, production amounted to more than 30 million kilograms, of which 55% are cucumbers, 31% are peppers, 6% are organic products and the remaining 8% correspond to other products.

Agrosol has 207 ha of greenhouses, of which 52 ha are organic crops and 62 ha are high-tech.

The company is specialized in the British market although it also sells to other markets such as France, Holland and Spain. Its customers sell their products through the main supermarkets in their respective countries such as Tesco, Aldi, Marks&Spencer, Coop or Sainsbury's. Approximately 90% of the production is exported.

With regard to the environment, caring for the environment begins with natural pollination, with zero residue policies and the use of a very efficient pest control strategy through biocontrollers in its greenhouses. It is complemented by the efficient use of energy and water with good systems for minimizing consumption and recovery.



**Sector**  
Agriculture

**Headquarters**  
Roquetas de Mar (Almería)

**Investment date**  
2018

**468**  
employees

**22%**  
of women  
**0%**  
of women Directors & Managers

**ESG Responsible**

Sustainable Development Goals (SDGs) contribution



ESG overview

Environmental

- Agrosol has 52 hectares of organic crops and 62 hectares of high technology. During 2021, 25 ha of crops were expanded, reaching 207 ha:
  - » 15% of the total production corresponds to organic production.
  - » The greenhouses are certified for organic production (CAAE certification).
  - » One of Agrosol's continuous growth objectives is to expand the organic part of its farms.
- There is an **environmental responsible** within the organization.
- Specific plans have been developed for **environmental management, such as soil and water management plans, farm conservation plans**, fertilizer plans, as well as **analyses of possible risks** that may affect their activities.
- Positive environmental practices are integrated into Agrosol's business model, such as **Integrated Pest Management and natural pollination, helping to protect biodiversity**.
- It has invested in industrial cogeneration to feed and heat its high-tech greenhouses, as well as to inject the CO2 generated.
- It has **renewable energy self-generation facilities**. During 2020, photovoltaic panels were installed on the roof of the warehouses (200 kW). Solar panels are also planned to be installed at other facilities (Glinwell) at a later date.
- All the irrigation and much of the **rainwater goes to accumulation ponds where it is disinfected and reused**.
- At Agrosol, the consumption of **plastic** is tolerated for one year longer than normal for use in greenhouses in order to reduce the **generation of waste**.

**Main KPIs**

52 hectares of organic crops

Environmental responsible

Integrated Pest Management and natural pollination

Industrial cogeneration and energy-savings systems

Renewable energy self-generation (200Kw)

Water reutilization

Waste reduction targets

Social

- The company has an **equality plan and a health and safety policy**. During 2021 the equality plan was updated. The development of a human resources policy is planned for the year 2022.
- The company has dedicated measures to address the **health and safety of consumers**.
- **Annual training is carried out** in all categories and incentives are given to meet the established objectives.
- Agrosol Export supports local cultural **associations and the "Duchenne Parents Project"**, a non-profit organization to end Duchenne and Becker muscular dystrophy.
- **Many job opportunities are offered that reach sectors at risk of exclusion** with the possibility of training and development in the agricultural sector.

**Main KPIs**

Equality plan

Health & safety policy

Participation in social actions

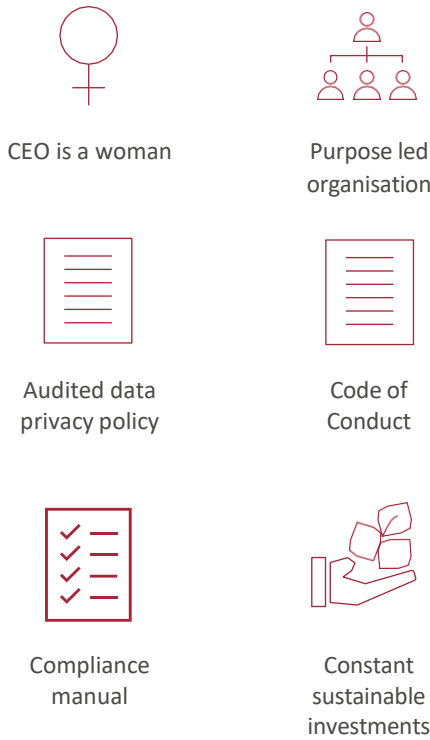
Hiring people at risk of poverty or social exclusion



Governance

- Agrosol is a purpose-driven organization that clearly states its mission, vision and values. “Fresh fruits and vegetables are a healthy and tasty food source. Our products not only provide the vitamins, minerals and fibers that are so necessary to take care of our health, but also, thanks to their aroma, color and flavour, they allow us to enjoy a shared pleasure: good gastronomy. Agrosol's challenge is very clear: to produce first-class products to contribute to people's health and well-being.”
- The CEO of the organization is a woman and the Board of Directors has an independent director.
- The organization has a data privacy policy that is audited by an external entity and a Code of Conduct.
- During 2021, a Criminal Risk Prevention Manual was prepared, which takes into account the different complaints in the field of Compliance that can be detected, as well as certain guidelines for aspects related to human resources.
- Constant investments are made in equipment to improve productivity as well as to be more sustainable. For example, investment has been made in LED lights and in ventilation systems in the high-tech farms in the warehouses where piccolo tomatoes are planted with the aim of making production more efficient given that losses are reduced and the product grows in better conditions, increasing the quality.

Main KPIs



Highlighted initiatives

Facilities that respect the environment: natural pollination and integrated pest management.



Environmentally friendly facilities – Natural pollination and Integrated Pest Management

Agrosol Export is a company that believes that in order to produce good vegetables, respect for the environment is essential, which is vital for the future of the sector and for the sustainability of agricultural practices throughout the planet.

- **Pest-free products thanks to the use of Integrated Pest Management (IPM).**
  - » IPM aims to keep the use of pesticides and other forms of intervention only at levels that are economically and ecologically justified and that reduce or minimize risk to human health and the environment.\*
  - » IPM involves an integrated approach to prevention and/or suppression of organisms harmful to plants.\*
  - » Biological, physical, and other sustainable non-chemical methods should be preferred over chemical methods if they provide satisfactory pest control.\*
  - » Specifically, Agrosol Export deploys biological pest control to fight against aphids. A parasitic wasp is released that pierces the aphid with its ovipositor, depositing an egg inside.
- **Natural pollination** has been implemented historically, consisting of the transfer of pollen between flowers, without human intervention. Specifically, **Agrosol Export extensively uses bumblebees.**
- **Integrated Pest Management (IPM)** and natural pollination are used in all their crops. In addition, the company has 43 hectares dedicated to certified organic fruits and vegetables.



Energy optimization – Usage of plastic

**Energy** is a key element in agriculture. Agrosol Export uses **cogeneration for its 62 ha of high-tech greenhouses to heat them during the winter months.** In addition, the company has installed **photovoltaic panels on different roofs (200 kW).** Finally, Agrosol Export has invested in **industrial cogeneration and energy saving systems that are located near its greenhouses.** These systems efficiently increase energy savings through the trigeneration process (production of hydrocarbons, thermal energy and CO2), using plastic waste from greenhouses. **These by-products are destined for self-consumption together with other plastics. The anticipated savings in operating costs are approximately €300,000 per season.** These facilities help recycle tons of plastic waste.



Agrosol Export’s objective is to be able to apply “Zero Waste” to all processes

Sustainable production takes place, where the rule of the 3 Rs is followed:

- **Reduction of waste use, through efficient production, collection and distribution systems.** Our integrated biological control systems reduce the use of phytosanitary products and our production system reduces the use of water.
- **Reuse, both in greenhouses when possible and in authorized centers.** The water is recovered and reused through modern disinfection systems.
- **Recycling, with an ambitious project currently underway to recycle greenhouse plastics that are corrupted by ultraviolet radiation.**



\*Source: European Committee

Some Agrosol Export accreditations

CAAE [Comité Andaluz de Agricultura Ecológica] – Ecological products:



Field to Fork



SEDEX



Global Gap



Main social initiatives



ESG targets for 2022

Qualitative

- To develop a Code of Ethics and a Human Resources (HR) policy that includes: human rights, diversity, discrimination, harassment and abuse.
- To develop an environmental policy that establishes the guidelines on the matter.
- To develop a policy that includes sharecroppers, associated farmers and auction management

Quantitative

- To grow by 15% in volume produced with agricultural certification in relation to the previous year.
- To increase investments in Innovation projects by €2 million.








The Larrumba Group is made up of a team of young professionals and entrepreneurs who come from different sectors and are characterized by the desire to innovate, improve and differentiate themselves.


The group is composed by more than 20 trendy restaurants located in the Community of Madrid with key locations and impressive decoration. The Larrumba Group strives to offer its clients different and innovative experiences prioritizing the perfect balance between quality and price, taking care of all the details to make the journey memorable.

Each restaurant has its own personality based on different spaces and its gastronomic offer. Restaurants include, Marieta, Habanera, Perrachica, Pipa & Co., Carbón Negro, Fonda Lironda or Castizo among others.

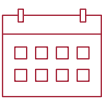





**Sector**  
Hotels and Restaurants




**Headquarter**  
Madrid



**Investment date**  
2018



**737**  
employees



**26%**  
of women  
**14%**  
of women Directors & Managers

Sustainable Development Goals (SDGs) contribution



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



6 CLEAN WATER AND SANITATION




12 RESPONSIBLE CONSUMPTION AND PRODUCTION


ESG overview

Environmental

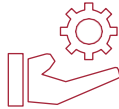
- **Environmental management** is developed at each restaurant level, where the area manager is responsible for complying with current regulations.
- The company has contracted a **renewable energy supplier during 2021**.
- Grupo Larrumba has **external transportation** for some employees and is developing **more efficient routes for delivery trucks**.
- Due to the continuous **improvement of controls**, the company monitors its consumption more and more safely.
- Additionally, it has a future project consisting of **offsetting emissions to reduce its carbon footprint**.
- Grupo Larrumba relies on HarBest Market, a Marketplace that connects its restaurants directly with national farmers, thus eliminating intermediaries and fighting for a more efficient, transparent and sustainable supply chain.




Renewable energy supplier



External transport



Improvement of controls



Hiring protocol




Security plans and risk assessment



Customer satisfaction management



Collaboration with foundations



Human Resources management tool

Social


- Grupo Larrumba has a **contracting protocol**, which has been updated in 2021, focusing more on group dynamics.
- Work to develop **equality programs**.
- Each restaurant has its own workplace **safety plan and risk assessment**.
- During 2021 the Group has implemented the Cornerstone **Human Resources management tool**, which serves as a communication channel with employees.
- **The Group has collaborated with the Emailakat Foundation with the Solidarity Dessert project** to provide help to Kenyan children at risk of social exclusion. Additionally, Grupo Larrumba contributes to several foundations such as the Carmen Pedro-Valcare Foundation or Down Madrid.
- Grupo Larrumba customers have the opportunity to use **"Guudjob" to evaluate their experience** and the waiter who has served them. This information is later used to assess customer satisfaction.

Governance

- Grupo Larrumba has a **Code of Ethics**, a **Code of Conduct** that has been updated during the 2021 financial year, and a **Remuneration Policy**.
- Each restaurant **provides ad-hoc training to its employees** when they are hired and based on business needs.
- In 2021, **the ERP** was changed in order to improve the quality and uniqueness of management information. Additionally, the search for an **environmental responsible** has begun.



Code of Ethics



Code of Conduct



Remuneration policy



New ERP



Main social initiatives of Grupo Larrumba

Collaboration with “Emailakat Foundation”

The Larrumba Group collaborates with the "Emailakat Foundation" through the Tamaisan Project, which focuses all its benefits on the children of Turkana (Kenya) who are at great risk of social exclusion.

The collaboration of the Larrumba Group in this project consists of Solidarity Dessert. Under the motto "Being in solidarity has never been so sweet", every time someone orders a dessert in one of the group's restaurants, 15 euro cents are donated to help the children of the "St Irene Lobur Primary School" (place built through the Tamaisan Project itself) continue to receive both proper education and nutrition.



Social integration initiatives

What do we do?

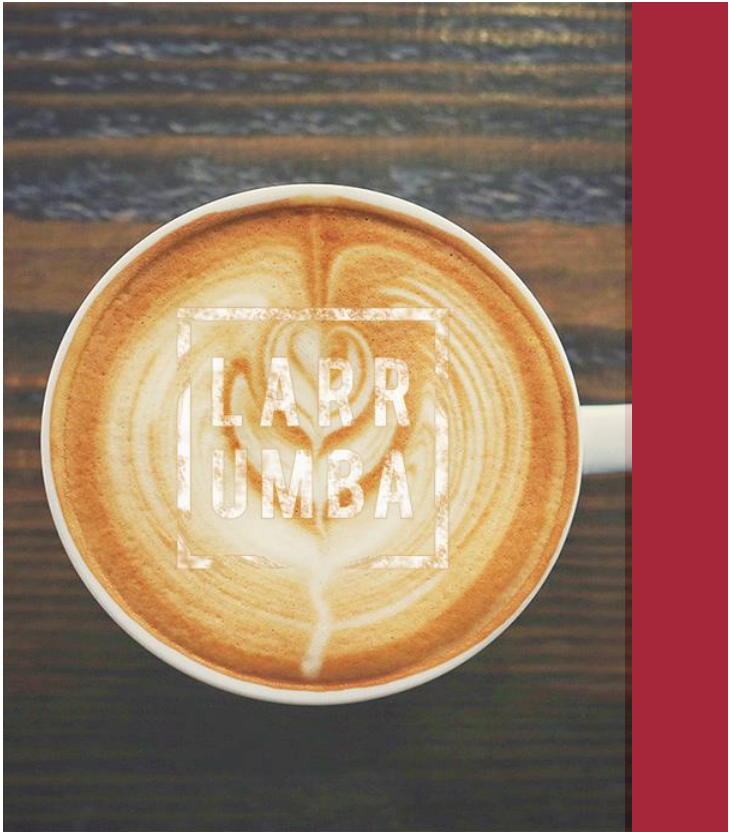
Larrumba group collaborates with entities whose objective is to support people with **risk of social exclusion due to various factors or with disabilities**.

Why we do it?

Larrumba Group considers that the more visibility and voice is given to these topics, the greater importance they will be received in society. As a consequence, **the group will encourage the labor inclusion of these profiles**.

How we do it?

After basic theoretical training, employees develop a 6-month internships **with the possibility of final hiring agreement**.



Other social initiatives



ESG targets for 2022

Qualitative

- To revise the current Code of Conduct and develop a Human Resources (HR) policy that includes: human rights, diversity, discrimination, harassment and abuse.
- To develop a sustainability policy that includes environmental, social and governance aspects.
- To develop a global monitoring system for ESG KPIs considering all restaurants (included within the development of the new ERP)

Quantitative

- To employ at least 1% of employees with disabilities.
- To monitor the training given to employees in all restaurants (number of employees and type of training)





Company dedicated to the **manufacture and distribution of mattresses and rest equipment** with an international presence and a portfolio of **495 suppliers of raw materials and merchandise**.

At the end of 2021 Flex has operations in **Spain, Portugal, the United Kingdom, Chile, Brazil, Canada, the United States and Cuba**. In all these countries, the company has rest equipment production centers and also markets its products, except in Canada where only products are marketed.

Flex is an international company that supports a company model with the following objectives:

- Total customer satisfaction.
- Professional development of the human team.
- Creation of value for interest groups.
- Integration with local communities.

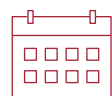
The organization is committed to excellence in management and constant innovation, ensuring integrity and ethics in all actions, respect for people, defense and protection of the environment, and the reliability of its products and services.



**Sector**  
Mattresses  
& Rest equipment



**Headquarter**  
Madrid



**Investment date**  
2017



**1.829**  
employees



**37%**  
of women  
**29%**  
of women Directors & Managers



**ESG**  
**responsible**

## Sustainable Development Goals (SDGs) contribution



## ESG overview

### Environmental

- **Environmental policy and environmental responsible** in the organization with a team in each factory supervising environmental aspects.
- Initiative to develop mattresses with recycled materials with the aim of rationalizing the environmental impact. This initiative has been launched in Iberia and will be extended internationally. **In addition, the product is in line with the global objective of increasing the recyclability of used mattresses.**
- Flex has the **ISO 14001 environmental certificate as well as the FSC**, which indicates that the wood used comes from forests in which good practices are ensured when using them.
- Flex **identifies the possible environmental impacts** that its activities may cause in order to minimize them whenever possible.
- During 2021, the organization **set itself the goal of reducing its greenhouse gas emissions in plants internationally by 5%**. In addition, by 2022 the organization has defined **the objective of reducing its GHG emissions by another 2%**.
- Looking to the future, Flex plans to carry out an internal calculation of its carbon footprint and promote the use of renewable energy with some projects such as the implementation of photovoltaic panels at its plant in Portugal.

### Main KPIs



Products with recycled materials



Environmental responsible



Environmental policy



Certificados ISO 14.001 y FSC



GHG emissions reduction target of 5% (2021) and 2% (2022)

### Main KPIs



Equality plan



Health & safety plan



79% purchase to local suppliers



Quarterly customer satisfaction survey (NPS)



Specific products for women

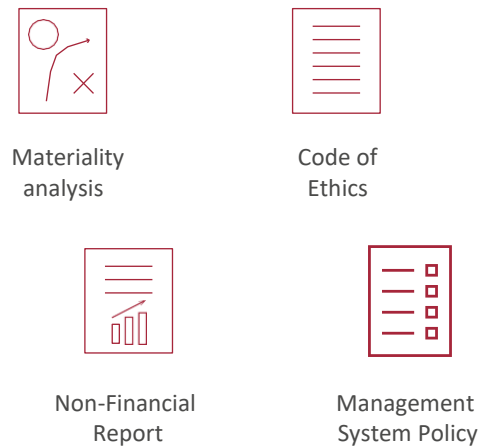
### Social

- It has an **equality plan** and a **health and safety policy**.
- Flex is working on **developing processes and policies to address organizational culture, work flexibility and engagement**.
- It has **specific programs with NGOs and other organizations**. In addition, employees have the opportunity to volunteer in donation drives (food and clothing).
- **Suppliers are contracted according to an internal procedure**. In addition, specific certificates are requested for most of the suppliers of raw materials and relevant suppliers. **85% of suppliers have signed the Flex code of ethics**.
- Sourcing locally helps the organization secure supply, promote a more sustainable and stable local economy, and maintain community relationships. **79% of the total purchased by Flex is from local suppliers**.
- Flex has **products** like pillows and duvets **specifically focused on women** that help maintain body temperature.
- Additionally, they carry out a quarterly satisfaction survey aimed at evaluating **customer satisfaction** with the NPS methodology.

Governance

- Flex has a **materiality analysis** to identify key ESG issues within the organization.
- Flex has a **Management System Policy**, which incorporates the issue of sustainability across the business model and strategy.
- The company has a **code of ethics, a crime prevention protocol and a policy for the use of internal systems, among others.**
- The company annually publishes a **Non-Financial Report** (integrated with the Annual Accounts) using the GRI standard.

Main KPIs

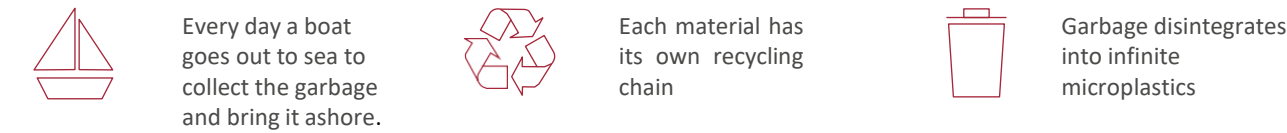


Highlighted product

Sustainable edition - Seaqual Pocket

Flex has developed a sustainable mattress line that has also been product of the year.

With this product, Flex supports the recycling of 65 plastic bottles recovered from the ocean through the following process.



The plastics recovered from the sea are converted into sustainable fibers of the highest quality, 100% recycled, which are used in the manufacture of the Seaqual Pocket mattress.



SUSTAINABLE EDITION  
SEQUAL POCKET  
Do Good. Sleep well.

TAKE CARE OF THE PLANET AND YOU.  
SEAQUAL converts plastics recovered from the ocean into sustainable fibers of the highest quality to guarantee the best rest.

Survey of 10,013 individuals from the Netquest panel (in rotations of 3,338 people) + product test of 100 people from Kuvut in October 2020.

Chosen product of the year 2021 Innovation

Main social initiatives



ESG targets for 2022

Qualitative

- To define a best-in-class handbook for product design and lifecycle management.
- To roll out the initiative to develop mattresses with recycled materials internationally.
- To monitor training hours per employee and type of training. Train all employees on Code of Conduct and product design / lifecycle management.

Quantitative

- To reduce by 10% the number of workers accidents compared to previous year.
- To reduce energy consumption by 2% and reduction by 2% of CO2 emissions by 2022.





BABEL is a technological consultancy firm with an international team of more than **1.900 professionals** highly specialized in cutting-edge technologies. They assist their major clients in their digital business challenges and processes.

BABEL in the development of its business **strives for**:

- To be a benchmark company in the geographies in which it operates
- Offer high value-added services to customers
- Maintain profitable and sustainable growth
- Offer professional careers to employees
- Maintain a cultural differential model: solidarity, communication, transparency, respect, etc.

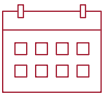
Standard business management is carried out with a classic structure that responds to the three axes in which it operates (projects, clients and people) and is supported by the bulk of the organization. BABEL is present in Spain (Madrid, Seville, Asturias and Barcelona), Portugal (Lisbon and Proença a Nova), Mexico (Mexico City), Morocco (Casablanca) and Chile (Santiago de Chile). In addition, BABEL has international operations in Germany and the US.



**Sector**  
Technological  
Consultancy



**Headquarter**  
Madrid



**Investment date**  
2020



**1.962**  
employees



**27%**  
of women  
**23%**  
of women Directors &  
Managers



**ESG**  
**Responsible**

Sustainable Development Goals (SDGs) contribution



ESG overview

Environmental

- Babel has an **environmental policy that is reviewed and audited annually**, in addition to a responsible team dedicated to environmental management within the organization.
- Babel has the **ISO 14001 certificate** for Environmental Management Systems
- The organization relies on **renewable energy providers** for its main offices.
- The **company manages hazardous waste** (waste from electrical and electronic equipment) and recycles toner through external collaborators.
- Given Babel's **digital business model**, the impact on the environment is very limited. Even so, Babel intends to plant trees in the future in order to offset the emissions it may have.

Main KPIs



Environmental  
responsible



Audited  
environmental  
policy



Renewable  
energy provider



Digital business model (limited  
impact on the environment)

Main KPIs



Equality plan



Labor  
flexibility



Health and  
safety policy



Customer  
Satisfaction management



Annual supplier  
evaluation



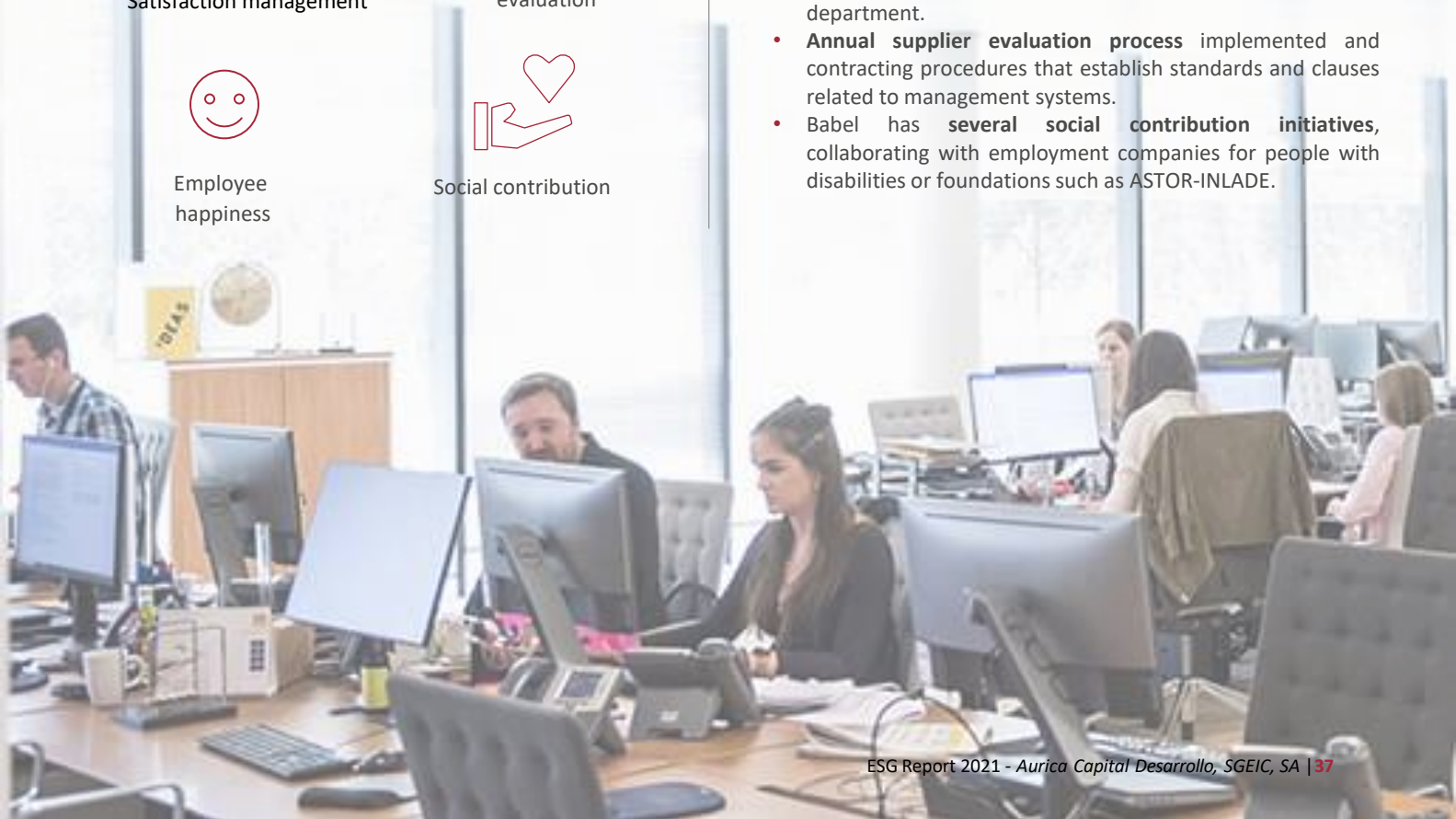
Employee  
happiness



Social contribution

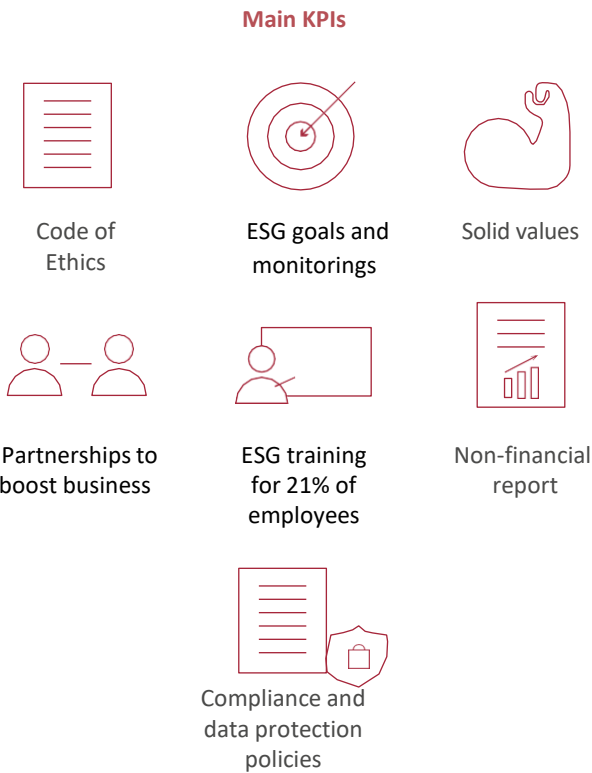
Social

- Babel has an **equality plan, a health and safety policy**.
- The company places great importance on the **happiness of employees**, focusing on an individual basis to adapt to the needs of each one of them.
- Babel has several initiatives to address organizational culture and employee commitment, such as general staff meetings, training events or "**Babel Voice**", a work environment survey where the actions implemented are assessed in relation to the results obtained and Based on them, a **defined action plan is carried out**.
- At Babel, work is not governed by schedules but by objectives, so when possible the company facilitates a **flexible schedule** that contributes to a better balance in personal life.
- **Customer satisfaction** is analyzed annually by the quality department.
- **Annual supplier evaluation process** implemented and contracting procedures that establish standards and clauses related to management systems.
- Babel has **several social contribution initiatives**, collaborating with employment companies for people with disabilities or foundations such as ASTOR-INLADE.



Governance

- Babel has a formal **code of ethics**, a **human rights policy**, an anti-corruption and bribery policy, a data privacy/cybersecurity policy, and a standard remuneration process (a CSR Policy is currently being developed). In addition, during the 2021 financial year, they have developed a new **project data protection policy**.
- The company has the **ISO 9001 certificate** for Quality Management Systems.
- The company **monitors ESG issues through specific goals** related to quality, the environment, health and safety, and data security, among others.
- Babel has **solid values that guide the day-to-day business**: "happiness, valuing talent, shared leadership, authenticity, diversity, flexibility and commitment to the planet."
- The company has **several alliances** to develop its activities.
- The company annually publishes a **non-financial report** (integrated with the annual accounts). Looking to the future, the aim is to improve external communication on sustainability issues by publishing the non-financial report on its website as well as emphasizing the SDGs within the training itself.



Highlighted initiatives



Principles of environmental management

BABEL tries to build a better world. The company feels responsible, in an active way, beyond the fashions, to take care of our home, with initiatives that promote sustainability and habitability of the planet.

The **Quality, Environment, Information Security and Health and Safety Policy** provides the basis for defining and delimiting objectives and responsibilities. Specifically, Babel has worked on the following actions:

- Continuous recycling** of organic and inorganic waste in the offices.
- Raising staff awareness** of good environmental practices.
- Collection and subsequent recycling of paper** and, whenever possible, printer toner.
- Use of compostable bags and recycling containers** for capsules and reusable coffee pods.
- Use of renewable energies** through the supply by renewable energy companies in the offices of Madrid - Príncipe de Vergara and Seville.
- Collaboration with environmentally responsible companies** to offer employees discounts on products that reduce their carbon footprint.



Inspiring Babel - Happiness

In the constant work to achieve the happiness of its employees, the organization focuses on promoting happiness among professionals. Therefore, at Babel they have **different** initiatives in which they approach their employees to assess what the company can do to improve their situation.

**Babel Voice:** Annual work climate survey where the actions implemented are assessed in relation to the results obtained and an action plan is defined based on them.

- Happiness Thermometer:** Every month an email is sent to all employees asking how they feel at BABEL.
- SOS room:** Virtual room that is always available from the intranet for all professionals.
- Coffee Break:** Online breakfasts with employees working on the same project, where the main objective is to monitor their situation both in the project and in the company.
- Safety and health at work:** Accident prevention and diseases caused by working conditions, and protection and promotion of workers' health.

Main social initiatives



ESG targets for 2022

Qualitative

- To develop a common framework in which to anchor initiatives and projects on a wide range of topics such as human rights and/or diversity, that will constitute the basis of their future policy on HR.
- To develop a compliance program including a monitoring system for security data management and doing business ethically.
- To implement a monitoring system for environmental KPIs such as water and energy consumption as well as waste management.

Quantitative

- To train annually 100% employees on security data policy and business ethics.
- To reduce the gender gap by 1% compared to 2020.





Delta Tecnic is focused on becoming a technological partner on product development to its clients. The organization formulates solutions at the highest service quality, with the target to optimize their customers' processes, and provide in-depth knowledge on market and innovation.

Specifically, the company is dedicated to the production and commercialization of color concentrates (masterbatches for the cable and PVC industry) in more than 50 countries for the plastic sector as well as the distribution of color concentrates and other pigments of international brands in the Iberian Peninsula.

Delta Tecnic is convinced that the implementation of voluntary management systems for quality, environment and risk prevention such as the ISO 9001, ISO 14001 and OHSAS 18001 standards, are vital for the growth of the organization and their continuous improvement, thus assuring a level of quality that enables them to achieve rapid development and the full customer satisfaction.



Environment

- The company has appointed an **environmental officer** and has resources dedicated to the **prevention of environmental risks**.
- Delta Tecnic has an **integrated policy approach that covers quality, the environment and the prevention of accident risks**. With this, the company has ISO 14001 and OHSAS 18001 certificates.
- The company does not consume any type of fuel, so **it does not have scope 1 emissions**.
- The organization has future plans to carry out several **sustainability projects in the company**. In the 2021 financial year, planning has begun to install **photovoltaic panels** on the roof of its plants in Barcelona and Mexico in order to use more renewable energy. On the other hand, it is expected that during the year 2022 the refrigerators will be changed for new ones, pretending that there will be a **significant reduction in the energy consumed**.
- Delta Tecnic performs an **internal calculation** of the carbon footprint. Looking ahead to 2023, it is planned to carry out the calculation in a much more specific way at the product family level.
- The organization manages its waste generation and is currently at a **revalorization rate of 58%**.

Main KPIs



Environmental responsible




Environmental policy




58% waste revalorization



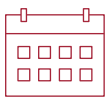
Internal calculation of the carbon footprint




**Sector**  
Chemical industry




**Headquarter**  
Barcelona




**Investment date**  
2017



**159**  
employees



**24%**  
of women  
**45%**  
of women Directos & Managers



**ESG Responsible**

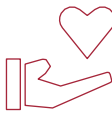
Social

- The company develops **several initiatives to ensure engagement, talent retention and personal life balance**. In addition, the organization develops employee surveys to assess their commitment.
- Delta Tecnic has a **harassment protocol** that has begun to be reviewed in 2021 in order to also include aspects related to discrimination.
- The company has a **health and safety policy** and promotes a healthy lifestyle. Additionally, they have the **ISO 45,001 certificate for Occupational Health and Safety Management Systems**.
- Delta Tecnic develops **several social contribution projects** such as "Marathon TV", "Seeliger y Conde Foundation", "AMPANS Foundation" and "Multiple Sclerosis Foundation".
- The company has a **complaints system for its customers** and has specific measures in place to address their health and safety.
- Delta Tecnic **periodically evaluates the level of satisfaction of its customers** by sending surveys that assess aspects related to the quality of the service.
- Delta Tecnic has a **contracting policy and a supplier evaluation** process that grants each supplier one of the following categories:
  - A. Optimal provider.** No action required.
  - B. Indifferent provider.** An improvement action plan will be required.
  - C. Poor provider.** An action plan for improvement will be required and they will be likely to be fired as providers.

Main KPIs



Health and safety policy



Social contribution projects



Customer satisfaction management



Supplier contracting policy and supplier evaluation process



Harassment protocol

Sustainable Development Goals (SDGs) contribution





Governance

- Delta Tecnic has an **ethical code** that covers aspects related to human rights, a remuneration policy, a compliance framework and an **ESG Policy** that is under development.
- **The company has set ESG goals and regularly monitors ESG topics.**
- **Different mechanisms are used to relate to the company's stakeholders** (city council, local communities, local associations...).
- Delta Tecnic has a **CSR Report** available to the public as well as an **annual sustainability report**.

Main KPIs



Highlighted initiatives

Delta Tecnic's Social Fund for Workers

In 2010, Delta Tecnic implemented a **Social Fund available to provide aid to its employees**. This Fund is distributed among all the workers who are eligible for aid on an annual basis. The Fund is distributed according to the following order of preference:

- Serious illness of the worker himself.
- Operation record of a close relative.
- Children over 16 years of age with disabilities.
- Staff with dependent children and school age (0- 16 years).

Awards for the best improvement proposals

Since 2001, Delta Tecnic **has awarded prizes for the best improvement proposals suggested by workers on the subjects of Quality, Environment and Prevention**.

Commemorating our employee's years of service

**"Our strength is in our people"**. For this reason, Delta Tecnic acknowledges and thanks people on **their most significant service anniversaries** by publishing an announcement in the staff newsletter and presenting commemorative plaques.

The Alares family service

In 2016, Delta Tecnic **contracted the Delta Familiar package from the Alares Social service** which **offers assistance to all workers, their partners, children, parents and partner's parents** who wish to **reconcile work and family life**.



Main social initiatives



ESG targets for 2022

Qualitative

- To develop a Human Resource (HR) policy including: human rights, diversity, discrimination, harassment and abuse.
- To develop the carbon footprint calculation for scope 1, 2 and 3 for 2022 year.
- To implement a monitoring system and partnerships to track applicable legal requirements.

Quantitative

- To reduce the energy consumption from previous year.
- To increase waste valorization compared to the previous year.





Winche Redes Comerciales is a leading company specialized in **commercial outsourcing**, offering a comprehensive point-of-sale service to its customers.

The know-how of the organization focuses on **the deep understanding of the market** and the methods and processes of a team of over **more than 450 specialized professionals** which guarantees **flexibility, specialization and optimization of business processes** for their clients.

Winche has coverage throughout **Spain and Portugal**, serving several sectors such as Consumer Goods, Pharmaceutical, Toys or Electronics among others across different channels (regular supermarkets, impulse and HORECA).

The company offers a wide range of services, including:

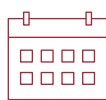
- Point of sale management.
- Implementation of planograms.
- Audits.
- Consulting.
- WincheCloud (application with a system of reporting, planning and management of daily work).
- Sales force.
- Selection and training.
- Telephone sales.



**Sector**  
Commercial Outsourcing



**Headquarter**  
Madrid



**Investment date**  
2018

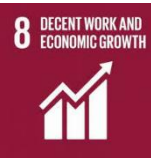


**465**  
employees



**42%**  
of women  
**14%**  
of women Directors & Managers

Sustainable Development Goals (SDGs) contribution



ESG overview

Environmental

- The organization has its **own fleet of vehicles, including LPG vehicles** that emit less CO2 than diesel vehicles.
- Winche has a **renewable energy provider** for the main office. 100% of the energy consumed is of renewable origin, so they do not have **scope 2 emissions**.
- The main building of Winche **has installation of led lights, light timers and air conditioning control**.
- The organization has established a **"paperless office"** policy, managing daily work digitally.

Main KPIs



Renewable energy provider



Fleet with LPG vehicles



No Scope 2 emissions

Main KPIs



Feedback of employee performance



Labor flexibility



Equality plan



Social contribution

Social

- Winche annually conducts **interviews with employees** to assess their commitment and receive direct feedback from them. The organization has a **behavior protocol, flexible hours and an equality plan**.
- **Annually**, employees receive formal **feedback on their performance**. Since 2021, it has been developing a new **employee evaluation system incorporating both quantitative and qualitative KPIs**. This system will be supported by its own computer tool.
- Winche develops **several social action initiatives with different entities such as the "Movember Foundation"** (leading charity that changes the face of men's health worldwide), "Aura Foundation" (social and labor inclusion of people with intellectual disabilities) and "Fundació Banc d'Aliments (fight against waste and fight against poverty).
- The company collaborates **with special employment centers** such as IAG7 Viajes in order to provide employment to people with disabilities.

Governance

- The organization has **the Silver category in CSR matters**.
- Winche has a **code of conduct**, a **remuneration policy**, a **protocol of good practices** and an **action protocol** focused on how clients should be directed to the teams. Additionally, they also have a complaints channel.
- There is **constant training adapted to the needs of the employees**.

Main KPIs



Code of Ethics



Silver category by Ecovadis

Winche has the Silver category recognized by EcoVadis

The **EcoVadis score** (0-100) reflects the **quality of a company's sustainability management system** at the time of the assessment. EcoVadis sustainability recognition levels are based on your company's EcoVadis score percentile rank and a minimum thematic score. The medal criteria are reviewed periodically.

During the 2021 financial year, the criteria were as follows:

- Platinum – Top 1% (Total score between 73 and 100)
- Gold – Top 5% (Total score between 66 and 72)
- Silver – Top 25% (Total score between 54 and 65)
- Bronze – Top 50% (Total score between 45 and 53)
- Medals are not awarded for a total score of less than 45 points or if a score of less than 20 is obtained in any of the four themes (Environment, Human Rights, Ethics and Sustainable Development) .

Winche has been audited in 21 aspects related to Corporate Social Responsibility within the four scoring areas and has achieved the **Silver category**, recognized by EcoVadis, for its practices in Corporate Social Responsibility.

ecovadis



Main social initiatives



ESG targets for 2022

Qualitative

- To revise the Code of Conduct.
- To develop a Human Resources (HR) policy that includes: human rights, diversity, discrimination, harassment and abuse.
- To develop a plan to reduce the gender gap in management and increase diversity in the company (including different capacities)

Quantitative

- To increase workers with disabilities by 5% (employees and alternative measures).
- To increase gender equality in management positions by more than 10%.





# Closure of 2021 and future pathway

The 2021 financial year **has been a year of consolidation in terms of sustainability**. Following the line of the previous year and increasing our level of demand, we have managed to develop major initiatives that demonstrate Aurica Capital's high commitment to the implementation and importance of the ESG balance within our business.

This year we have updated our **Responsible Investment Policy and the Responsible Investment Procedure** that develops the policy to formally add the climate recommendations of the TCFD to what is the basis of our activities and that, in addition, will serve to further strengthen the integration of ESG in our investment strategy.

Another relevant milestone for us has been **the registration of the Aurica IV fund as article 8 of the Sustainable Finance Disclosure Regulation**, which implies the active promotion of ESG initiatives within all the investees of said fund.

During 2021 we have worked to carry out new ESG actions such as the development of our first **materiality analysis** at the manager and portfolio level, the **implementation of annual ESG objectives** in our investees and the preparation of an **action plan to carry out the recommendations of the TCFD**. Regarding this last point, some actions have already been undertaken, such as, for example, the changes in the governance system that include the **increase in responsibilities of the old ESG committee**, which from now on will include more climate issues, the **analysis of climate risks** , both physical and transition, at the level of **investees** and the **calculation of the carbon footprint on which emission reduction targets** have been set in some portfolio companies.

At a social level, during 2021, **we reinforced our team with 5 new professionals with ESG skills, three of whom are women**, thus following our plans to ensure gender equality within the company.

In relation to partnerships and transparency, we continue to publicly report our progress on responsible investment matters in **the annual UN-PRI Transparency and Climate reports, an idea that will continue to be present in the future**.

**2022** will be a year in which **we will continue to work on sustainability and deepen the initiatives launched**, taking into account, above all, **the new Aurica IV fund**:

Continuity with the key activities in progress during 2021:

- Registration of the Aurica IV fund as article 8 of the SFDR.
- Realization of a materiality matrix at the manager level and portfolio companies.
- Integration of annual ESG objectives implemented in each of the investees.
- Preparation of an action plan to implement the recommendations of the TCFD within our activities.
- Identification of the level of physical climatic and transition risk of our investees at a macro level.
- Detailed calculation of our carbon footprint and implementation of emission reduction targets in the most relevant investees.

New initiatives to develop:

- Actively promote ESG initiatives in the investees of the Aurica IV fund based on article 8 of the SFDR according to the update of our responsible investment policy.
- Carry out the follow-up of both the general objectives and the emission reduction objectives set for the investees.
- Continue developing the actions of the action plan for the implementation of the TCFD recommendations.
- Continue with the development of the identification of climatic risks both in the investment procedure and in the activity of the investees.
- Continue with the development of due diligence processes in investment processes.
- Continue with the publication of UN-PRI reports on Transparency and Climate as well as with the completion of its questionnaires.

**At Aurica Capital we want to continue betting on this sustainable model during the year 2022. We believe that this is the correct way to consolidate knowledge and in turn contribute to creating a positive impact on our investee portfolio and our stakeholders.**



AURICA