



ESG REPORT 2024

Aurica Search Fund I

AURICA

SEARCH FUND

A new business model

Aurica Capital is the first **Private Equity** manager in Europe to launch a **Search Fund** (hereinafter, "Aurica Search Fund I", "ASF" or "Fund") with sustainability objectives and registered as Article 8 under SFDR, ensuring active sustainability management at the corporate level of all the investees that make up the Fund.

What is a Search Fund and how does it work?

A Search Fund is an investment vehicle in which one or two entrepreneurs (duo) raise capital to find, acquire, and manage a single private company as CEOs. *Search Funds* have been successfully developed thanks to a rigorous investment discipline and an incentive model that aligns the interests of companies with searchers. Over the past 35 years, *Search Funds* have demonstrated their ability to generate higher returns than other more conventional *asset classes*.

The investment strategy is generalist, but it has a focus on digitalisation and technology, wellness/health, sustainability, silver age and B2B services. The investment strategy focuses on attractive companies with high cash generation. Aurica's differential approach is based on five fundamental pillars: (i) access to talented entrepreneurs (many of whom have studied in the best business schools in the world), (ii) being part of the investment community, (iii) supporting the *searcher* during the search phase, closing the transaction and management of the acquired company, (iv) a determined investment strategy and (v) the quality of the analysis and *compliance* and sustainability requirements towards the target companies.

ASF has promoted the calculation of the Scope 1 and Scope 2 carbon footprint in 2024 of all the investee companies in its portfolio, including the calculation of Alfavet's footprint, a company acquired at the end of the year.

The Fund has not defined a sustainable investment objective, but it does aim to promote environmental or social characteristics and improve the governance of its investees.



2-6 months
Fundraising by the entrepreneur and preparation of the Business Plan (PPM)



1-2 years
The entrepreneur looks for a suitable SME and invests the *Search Fund*



4-7 years
The entrepreneur becomes CEO and starts operations to grow the company



3-6 months
Divestment and Return on capital

Aurica Search Fund Team



Ricardo Velilla



Héctor Pont



Laura Ribas

The Aurica Search Fund team consists of three professionals. Laura Ribas has joined the team in February 2025.



€40m

Target size



Search Phase
1 or 2 units

by searcher

55% Mediterranean Arc, 20% UK and DACH and 25% RoW



Portfolio Companies

20 companies with a 5% > stake
Low Mid – market

Recurring, acyclical and asset-light revenues. Sectors:

(i) digitalisation and technology, (ii) wellness/health, (iii) sustainability, (iv) *silver age* (v) B2B services.



5 years

Investment period

10 years
duration



75% Europe
25% International



+3.0x MOIC
+25% IRR



Pioneering
team

STRATEGY

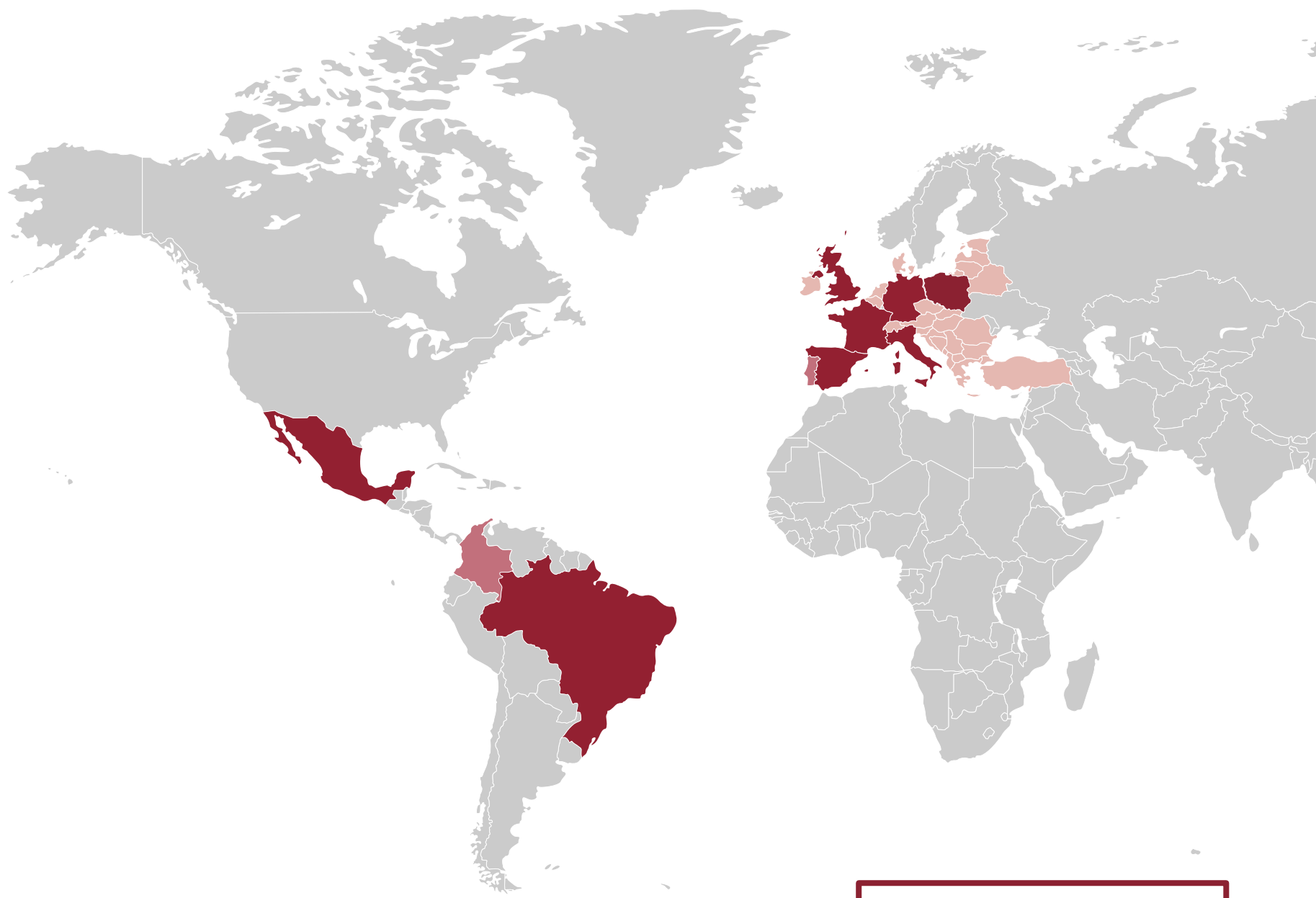
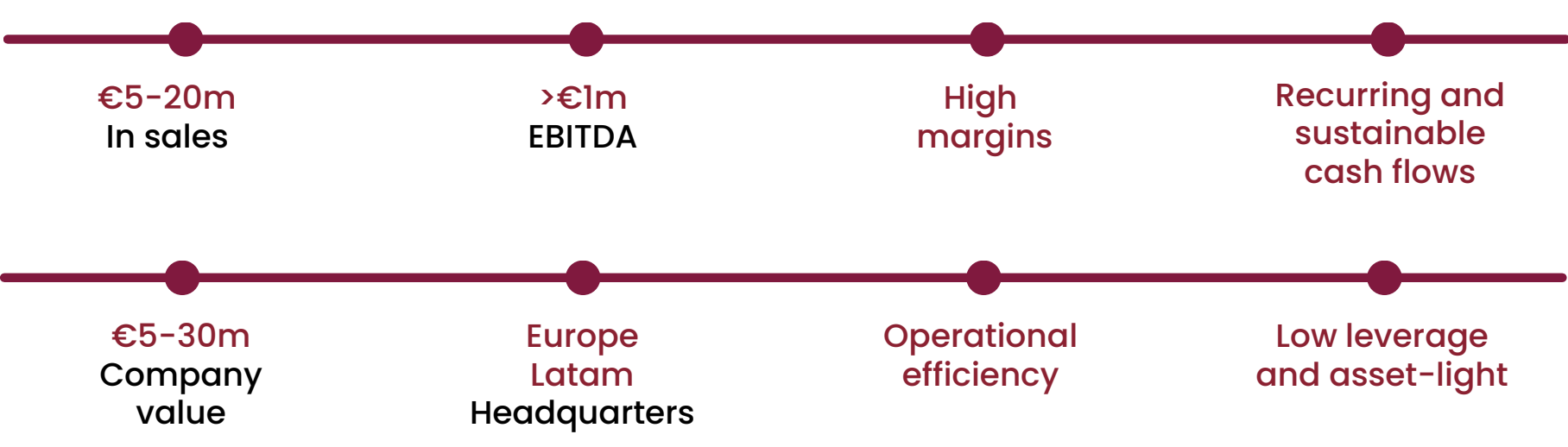
INVESTMENT

APPROACH

Search Fund Model

- High-potential executives (searchers), most of whom graduated from business schools where they have obtained an MBA.
- Are seeking investors with an active and participatory role.
- The objective is to provide succession solutions to entrepreneurs by supporting the executives.

COMPANY



Sustainable competitive advantages in its sector, ideally if it is fragmented

STRATEGY

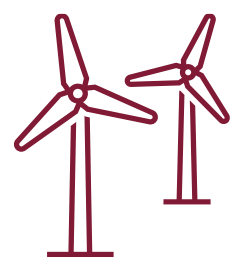
INVESTMENT

THE ASF MODEL

- Co-investment model: Partnership agreements with executives (searchers) and other investors that can be structured through minority stakes (5%-20%).
- Partnership agreements with active representation in governance bodies (management committee and board of directors) and exit clauses (tag and drag-along).
- Alignment of interests with incentive plans for executives and preferred shares for investors.
- Strengthening of the management team, execution of the Business Plan, financial deleveraging, multiple arbitrage.
- Active management of investees.

Main investment sectors:

Aurica Capital is a manager with a sector-agnostic strategy, although it focuses on international megatrends and sectors with strong traction due to robust growth drivers. While it does not have specific sectors defined in its investment profile, it has achieved notable success in specific industries where Spain is a global leader. As a result, the following sectors align with its investment strategy, among others:



Sustainability



Digital and technology



Senior citizens



Health and wellness

Companies

- With potential for organic and inorganic growth.
- Family-owned businesses without a succession plan.
- *Asset light* with high cash generation for rapid deleveraging.
- Seeking an investor with an active and participatory role.
- Excluded sectors: real estate, infrastructure, construction, financial sectors, and those not aligned with ESG criteria.

“ Our strategy involves investing in sectors with a favorable market trend and clear growth prospects at an international level. ”



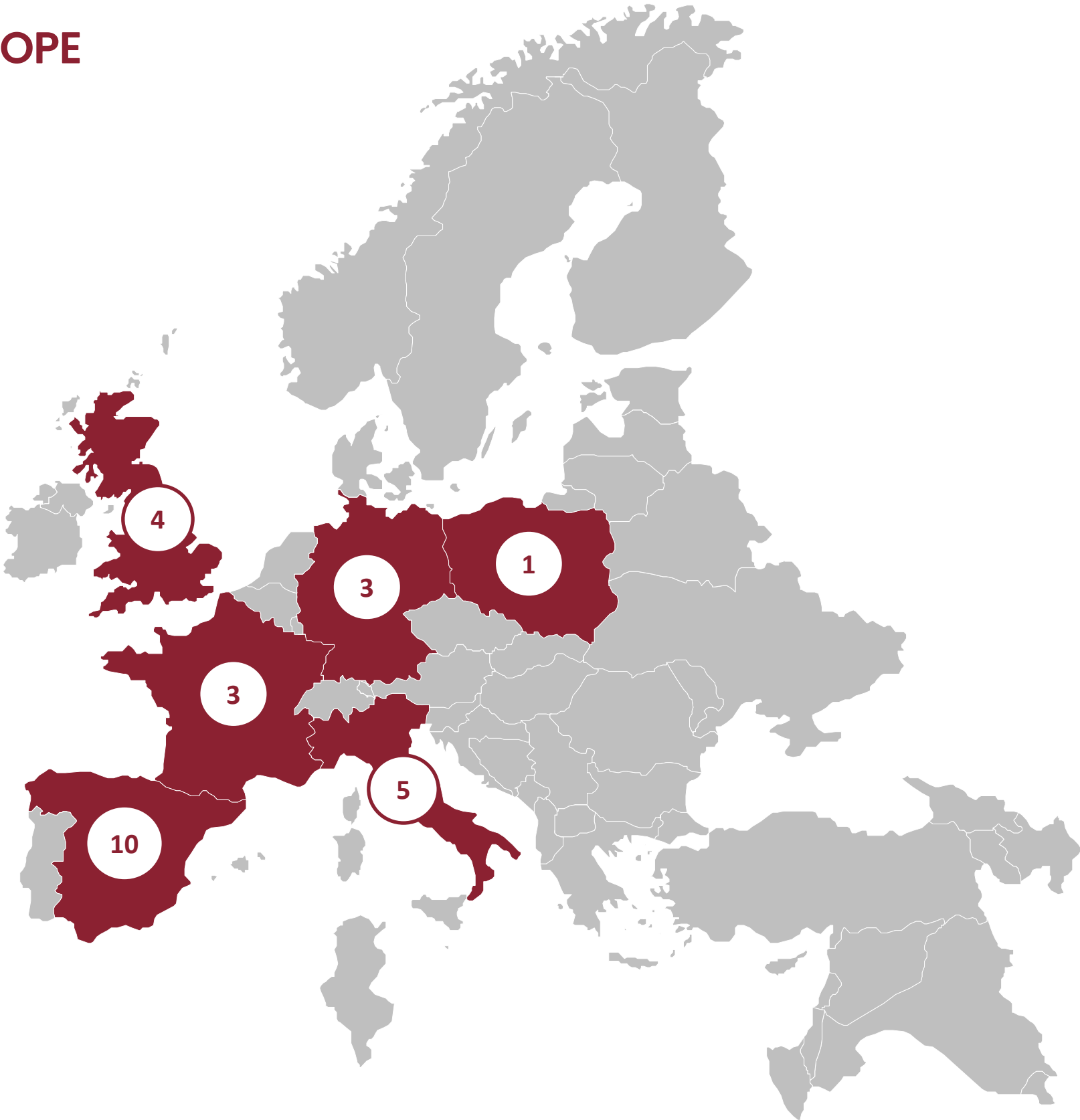
4-7 years
Investment period

€1-3 m
Investment range of
€8m with co-investments

SEARCHERS

Searchers Portfolio

EUROPE



UNITED KINGDOM



FRANCE



SPAIN



GERMANY



POLAND



ITALY



SEARCHERS

Searchers Portfolio

REST OF THE WORLD

BRAZIL



Iole Capital



NOSARA
— PARTNERS —



MEXICO



TROMPO CAPITAL



SEARCHERS

Responsible Investment Policy

In 2023, the Fund developed a Responsible Investment Policy, outlining key actions to be taken regarding sustainability throughout the investment process of Aurica IV, from (i) identifying potential companies, (ii) analyzing them through Due Diligence, (iii) making investments, (iv) monitoring assets, and (v) divesting.

By incorporating ESG considerations at every stage, the Fund demonstrates its commitment to responsible and sustainable investment, aligning with long-term values and business objectives.

It is worth noting that searchers often have limited resources during the Due Diligence phase due to the complexity of acquiring companies. To address this, Aurica has implemented a simplified Due Diligence process to assess the target company's sustainability status.

Although target companies in the low-mid market typically have limited progress in sustainability, Aurica supports searchers and future CEOs in implementing responsible investment policies. This includes setting short, medium, and long-term goals, establishing indicators to monitor, and incorporating sustainability reporting for investors.

Aurica is one of the 10–15 investors a searcher can partner with for a transaction. As the primary investor, Aurica often holds a position on the Board, providing valuable expertise. It is crucial to co-invest with like-minded investors or those with similar investment models.

The searcher takes the lead in the transaction, while Aurica provides guidance, requests information, and suggests specific analyses and investment procedures. Our Fund has a rigorous selection process for searchers and ensures a smooth onboarding experience.

Origin and screening of potential investments

- Generation of a constant and abundant deal flow that integrates ESG criteria and has low sustainability impact
- Consideration that the target company is not included in excluded sectors
- Preliminary identification of potential ESG risks

Investment Analysis

- Comprehensive analysis of various aspects of the company, both financial and non-financial
- Identification of potential ESG risks and opportunities to ensure decision-making bodies take actions to drive opportunities, minimize potential risks, and maximize sustainable value creation
- Climate risk heat map

Due Diligence

- Hiring advisors to conduct financial, commercial, legal, labor, technical, and ESG due diligence
- Conducting specific environmental due diligence if significant impacts are identified
- Defining an Action Plan with short, medium, and long-term ESG objectives

Investment execution

- Presenting the conclusions of the aforementioned analyses to committees
- Structuring the operation according to committee approvals to be finally negotiated and closed
- Signing and closing contracts that regulate the governance of the company

Investment Monitoring

- Development of a 100-day Plan to address critical aspects identified, including ESG risks
- Proactive monitoring of defined ESG objectives
- Regular collection of a set of business, financial, and ESG indicators

Desinvestments

- Evaluation of ESG performance with the aim of creating ESG value and maximizing the sale price

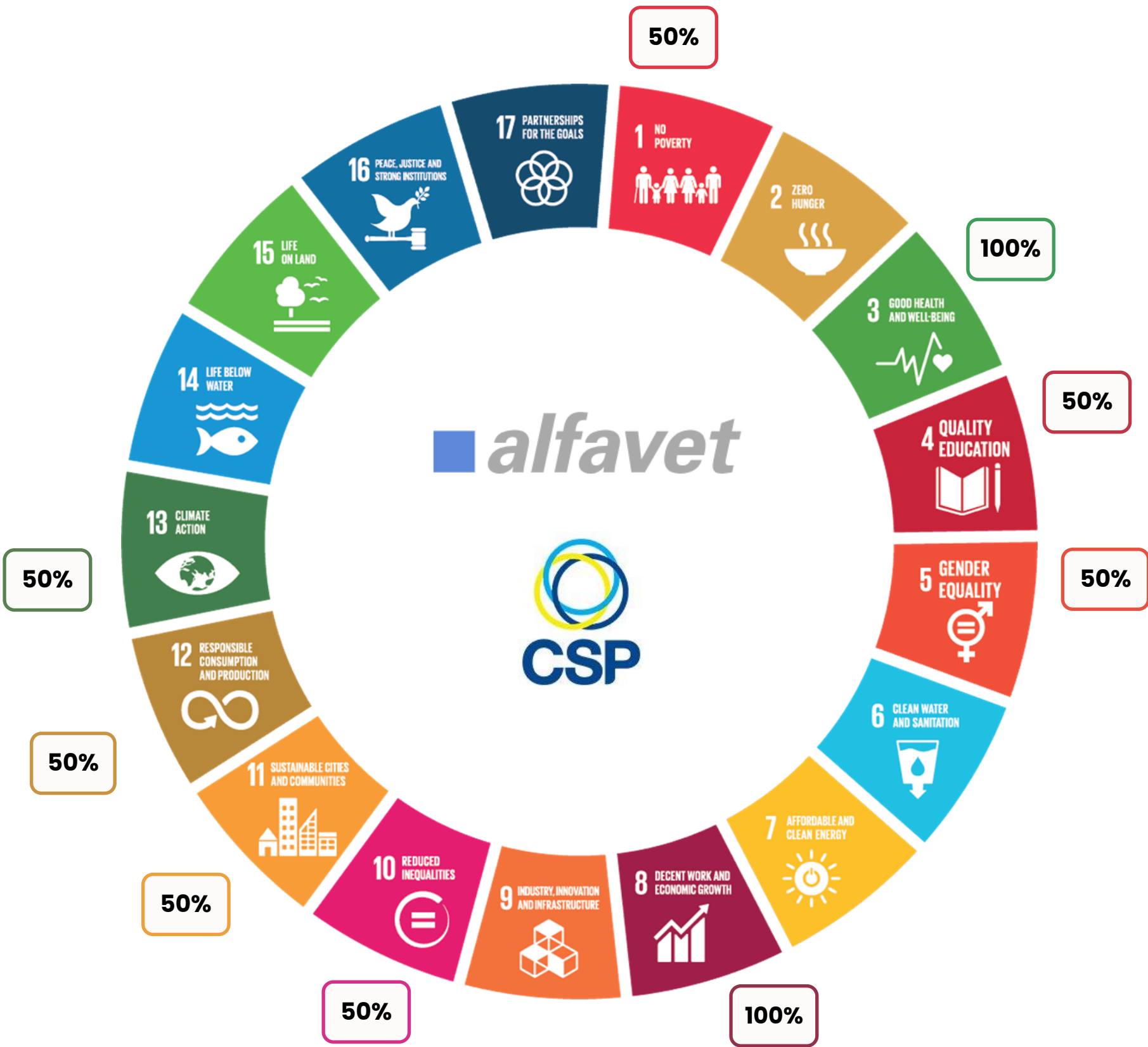
COMMITMENT WITH THE SDGs

The Sustainable Development Goals (SDGs) are a series of commitments established by the United Nations in September 2015, which focus on safeguarding people's dignity, transforming economies to enjoy a prosperous life, caring for the environment and promoting peace.

Aurica is firmly committed to these objectives, ensuring that all the companies in which it invests contribute significantly to any of these objectives.

This commitment to the SDGs not only reflects the responsibility as an investor, but also the commitment to sustainable development at the global level. Aurica is committed to promoting initiatives that generate a positive impact on society and the environment, thus contributing to the achievement of a more equitable, prosperous and sustainable world for present and future generations.

In Aurica Search Fund I, the portfolio companies are linked to some of the SDGs:





% of portfolio companies aligned with each SDG.

MATERIALITY ANALYSIS OF INVESTEES

In 2024, Aurica Capital conducted a materiality analysis at the investee level for Aurica Search Fund I companies to understand the main material Environmental, Social, and Governance aspects that could be impacted by these companies, including those related to climate.

To carry out the materiality analysis, the sectors in which Aurica Search Fund I's investees operate and their material issues were identified based on the relevant aspects for each sector assigned by the Value Reporting Foundation (VRF), an entity formed from the merger of the Sustainability Accounting Standards Board (SASB) and Integrated Reporting.

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

| Company | VRF Sector | Environment | Social | | Governance | |
|---|-----------------------------------|---|---|--|---|---|
| | | Environment | Social capital | Human capital | Business model and innovation | Leadership and governance |
|  | Leisure facilities | <ul style="list-style-type: none"> Energy Management | <ul style="list-style-type: none"> Product quality and safety | <ul style="list-style-type: none"> Employee Health and Safety | <ul style="list-style-type: none"> N/A | <ul style="list-style-type: none"> N/A |
|  | Biotechnology and pharmaceuticals | <ul style="list-style-type: none"> N/A | <ul style="list-style-type: none"> Human Rights and Community Relations Access and affordability Product quality and safety Customer welfare Selling practices and product labelling | <ul style="list-style-type: none"> Employee engagement, Diversity and Inclusion | <ul style="list-style-type: none"> Supply Chain Management | <ul style="list-style-type: none"> Business Ethics |

ANALYSIS OF CLIMATE RISKS FOR INVESTEE COMPANIES

During 2024, a first approximation of the identification of the level of climate risks, both physical and transitional, has been carried out at the macro level for CSP and Alfavet.

The climate risk levels of the portfolio companies have been established based on their sectoral and geographical risk components. For the **sectoral aspect of risks**, information from the MSCI and the CSA/DJSI questionnaire have been considered, and for the **geographical aspect of risks**, the *ND-GAIN Country Index* and the *Energy Transition Index (ETI)** were 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 from climate change

- **Acute:** event-driven exposures, including the 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, sea level rise or chronic heat waves.

| CSP | Alfavet |
|-----|---------|
| Low | Low |

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

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,
- **Reputational:** changing customer or community perceptions regarding climate considerations.

The Fund uses this **climate risk matrix** to further understand the risks and their subsequent management. In all future investees that present a medium or **higher level of climate risk**, whether physical or transitional, an analysis will be carried out at the micro level to identify the **specific climate risks** affecting these investees. Consideration is also given to analyzing the **opportunities** for these investees to reduce the climate risks they face.

The conclusions from this analysis regarding the Fund's new investments indicate that all are companies with low physical and transition risks due to the nature of their business activities. The results show that conducting any micro-level climate risk analysis is not currently necessary, although it may be considered once the risks of future investments have been analyzed.



*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
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>

CALCULATION OF CARBON FOOTPRINT AND EMISSION REDUCTION OBJECTIVES

In line with the requirements of the Responsible Investment Policy, Aurica has promoted the calculation of the carbon footprint of the companies in the Aurica Search Fund I portfolio, made up of Scope 1 and 2 emissions. This is the first year in which the Management Company promotes the realisation of this calculation. These emissions are disclosed using the PCAF methodology, which allows for the accurate calculation of Aurica-funded emissions through the calculation of an allocation factor, consistent with its commitment to the TCFD.

In relation to electricity (Scope 2), the Fund's emissions are reported with 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 companies 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 Fund's carbon footprint would be as follows:

| Data in tCO ₂ e | 2023 | | | 2024 | | | Weight (%) |
|----------------------------|---------|---------|-----------|---------|---------|-----------|------------|
| | Scope 1 | Scope 2 | Scope 1+2 | Scope 1 | Scope 2 | Scope 1+2 | |
| CSP | N/A | N/A | N/A | 207.0 | 10.3 | 217.3 | 77% |
| Alfavet | N/A | N/A | N/A | 54.8 | 9.2 | 64.0 | 23% |
| Total | N/A | N/A | N/A | 261.8 | 19.5 | 281.3 | 100% |

TCFD Action taken based on TCFD recommendations. Metrics and objectives pillar.

Aurica has committed to calculate the fund's carbon footprint annually, ensuring alignment with the GHG Protocol and the PCAF methodology. In the case of ASF I, as mentioned above, it is not possible to offer a comparison between 2024 and 2023. Regarding the results of this year, the following should be highlighted:

- **CSP's** carbon footprint is mainly made up of Scope 1 emissions, which mostly come from the use of gasoline and diesel by the vehicle fleet.
- **Alfavet's** Scope 1 and 2 carbon footprint is made up of electricity and gas consumption at its two operations and production sites. Solar panels with a capacity of approximately 200 kWp have been installed at the production site, supplying around 20% of electricity consumption, while between 60% and 70% comes from renewable sources.

PCAF Methodology

| | Financed Emissions | | |
|---------|------------------------------|------------------------------|--------------------------------|
| | Scope 1 (tCO ₂ e) | Scope 2 (tCO ₂ e) | Scope 1+2 (tCO ₂ e) |
| CSP | 12.4 | 0.6 | 13.0 |
| Alfavet | 2.2 | 0.4 | 2.6 |
| Total | 14.6 | 1.0 | 15.5 |

In total, the financed emissions in Aurica Search Fund I during 2024 were 15.5 tCO₂e.

PORTFOLIO OF INVESTEES

ENVIRONMENTAL ASPECTS

| | CSP | Alfavet |
|--|----------------|------------|
| Overview | | |
| ESG Manager | Yes | No |
| Environmental Policy | Yes | No |
| Climate risk mitigation measures | No | No |
| Environmental Procedures and Certifications | No | Yes |
| Number of significant environmental impacts | 0 | 0 |
| | | |
| Total fuel consumption (kWh) | 833,876.81 | 270,495.00 |
| Electricity consumption (kWh) | 49,738 | 24,696 |
| CO ₂ emissions (tCO ₂ e) | 217.28 | 64.0 |
| Water consumption (m ³) | 312 | – * |
| Consumption of raw materials | Paper, plastic | – * |
| Waste (kg) | 16,630 | – * |

SOCIAL AND GOVERNANCE ASPECTS




| | | CSP | Alfavet |
|-------------------------|----------|--|------------|
| General | Overview | Employee locations | UKDE |
| | | Fostering diversity in the organisation | YesYes |
| | | Employment of people at risk of poverty or social exclusion | YesYes |
| | KPIs | Number of employees | 9546 |
| | | % covered by collective agreement | 0.00%0.00% |
| | | Number of women in governing bodies | 17%0.00% |
| Health and Safety | KPIs | Employees with disabilities | 31 |
| | | Health and Safety Policy | YesYes |
| | | Accidents with sick leave | 300 |
| Social contribution | Overview | Hours of absenteeism (excluding maternity / paternity leave) | 240– * |
| | | Collaboration with social initiatives | YesYes |
| Customers and Suppliers | Overview | Tracking customer satisfaction | YesYes |
| | | Product/service with the greatest positive impact on women | NoNo |
| | | Supplier Hiring Policy | YesYes |
| | | Local Supplier Materials/Services | YesYes |
| Governance | Overview | Materiality analysis | YesNo |
| | | Code of ethics | YesNo |
| | | Harassment Protocol/Policy | YesNo |
| | KPIs | Training hours | 2,0000 |
| | | Sanctions and cases of human rights violations or discrimination | 00 |

* Since Alfavet was acquired at the end of 2024, it has not been possible to promote the calculation of these indicators. Looking ahead to next year 2025, they will be included in the calculation of the results.



Founded 20 years ago and based in Watford, United Kingdom, the company specializes in traffic and parking management, crowd control, and security at sports events and large-scale occasions. It primarily operates in the London area, with a particular focus on southeast England. It generates revenue through long-term contracts and recurring business with high-end clients, as well as one-off services for international events such as the Commonwealth Games and other significant global occasions, such as royal coronations.

2024 MILESTONES IN FIGURES

| | | |
|---|--|---|
|  | Emissions 217.28 tCO ₂ e | Percentage of renewable energy 0.0% |
| | Water consumption 312 m ³ | ESG Manager Yes |
|  | Employees 95 | Women on the workforce 30 |
| | Social Action Projects Yes | Gender Equality Plan Yes |
|  | Women on the Management Committee 17% | Code of Ethics and Code of Conduct Yes |
| | Data Privacy & Cybersecurity Policy Yes | Human Rights Policy Yes |



Headquarters
United Kingdom



Sector
Traffic management,
security, and parking
management services



Investment Year
2023

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)



It provides employment locally for individuals from low-income and minority families.



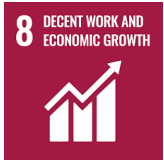
Make investments to significantly reduce staff working hours.



It trains its employees in technical and interpersonal skills for their professional development.



It is an equal opportunity employer for all staff. In 2024 they have reduced the wage gap to 0.37% (vs. 2.54% in 2023).



It contributes to local economies through recruitment and taxes paid to governments.



By encouraging local employment, it is reducing income inequality and providing economic empowerment.



It improves urban sustainability by managing traffic, supporting infrastructure development, and encouraging community participation in major events.



Purchases uniforms from sustainable sources and they are completely recyclable.



It sources sustainably and integrates hybrid vehicles into operations, reducing its carbon footprint.

100%

of 2024 objectives achieved

2024 OBJECTIVES

- ✓ Increase the number of women on the Management Committee.
- ✓ Carry out paid volunteering by employees with local communities.
- ✓ Calculate the carbon footprint and set reduction targets.
- ✓ Continue to reduce the wage gap.
- ✓ Training for the development of Senior Supervisors.
- ✓ Learning program for youth and communities with special education needs.
- ✓ Incorporate a new *eco-friendly* and recyclable uniform for all CSP managers and t-shirts for all employees.

2025 OBJECTIVES

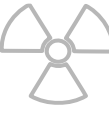



- Elaborate a recycling plan to sort office waste.
- Explore new energy supply options to switch to a renewable energy supplier.
- Increase the representation of women in the senior leadership team.
- Promote corporate volunteering during periods of low activity.
- Identify emissions from corporate vehicles to track their progress in the coming years.
- Implement the action plan for ESOS III.



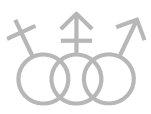






✓ Completed • Pending

KEY ESG ASPECTS

ENVIRONMENTAL

-  It has an ESG Manager.
-  The company has identified the main environmental risks of the organisation.
-  Environmental issues represent a significant opportunity for the company.
-  Following the ESOS audit, cost-effective measures have been identified to improve energy efficiency in CSP operations, optimising energy consumption and generating substantial savings.
-  It has implemented a tree-planting initiative that not only offsets carbon emissions but also contributes to biodiversity conservation.
-  Strategic actions have been established to reduce carbon emissions, focusing on environmental sustainability and achieving reduction targets.
-  The Environmental Policy identifies operational risks and establishes mitigation strategies to minimise environmental impact, promoting sustainable practices in all activities.

SOCIAL

-  By fostering an inclusive and diverse workforce innovation is enhanced, and high-level talent is attracted.
-  It prioritises meaningful actions to promote equality, over mere statistics.
-  Equal pay figures and progress in reducing pay gaps are published annually.
-  The minimum wage has been revised to ensure fair compensation and reflect current economic conditions.
-  Employee health insurance has been overhauled, resulting in improved benefits that encourage healthier lifestyles and provide support for employee well-being.
-  Managers and supervisors have completed the "IOSH Safety Management Training" course, improving their understanding of workplace safety and reinforcing their commitment to maintaining a safe work environment.
-  It offers equal opportunities, ensuring that its workforce includes individuals from diverse backgrounds, including people at risk of social exclusion.

GOVERNANCE

-  A Management Committee has been established alongside a Board of Directors, which includes members from Aurica, strategic management members, and some independent investors and advisors to ensure comprehensive oversight.
-  The 100-Day Plan has been successfully executed to cover key compliance requirements, ensuring the company's commitment to operational excellence.
-  The company's mission has been revised to emphasise its dedication to providing exceptional experiences from first contact to last customer interaction.
-  The Gender Equality report has been updated, reflecting the company's ongoing efforts to promote equality and transparency.
-  Customer satisfaction surveys have been introduced to gain valuable insights and improve services, enriching customer experiences and service offerings.
-  A person responsible for ESG has been appointed to oversee and advance the company's sustainability initiatives.

KEY CHARITABLE INITIATIVES OF CSP

A total of €6,750 in donations has been allocated to support various causes and contribute to the well-being of communities. In addition, the following accreditations have been obtained related to their performance in social aspects:



OUTSTANDING INITIATIVES



ESOS Audit (Energy Saving Opportunities Scheme)

Through this comprehensive audit, CSP has identified several measures aimed at improving efficiency in its operations. Among the recommendations there is the implementation of an advanced fleet management system to monitor and optimise the use of vehicles, as well as training programs in responsible driving techniques to reduce fuel consumption.

In addition, the audit has suggested modifications to the company's existing policies and procedures to integrate energy-saving practices into daily operations. By adopting these strategies, CSP wants to underscore its commitment to environmental sustainability and responsible resource stewardship.

This proactive approach positions CSP as a leader in integrating sustainability into its core business practices, contributing to broader environmental goals.



Professionalization of Corporate Sustainability

To advance its sustainable agenda, CSP has appointed a person responsible for managing sustainability and two ESG Champions. These team members have the responsibility of implementing the company's essential strategic sustainability initiatives and actively promoting them within the organisation.

The Sustainability Officer will oversee the integration of ESG practices into CSP operations, ensuring that environmental considerations are aligned with business objectives. Meanwhile, ESG Champions will act as advocates and educators, engaging their colleagues in sustainability efforts and fostering a culture of accountability.

Through these roles, CSP is not only improving its sustainability practices, but also empowering employees at all levels to contribute to its goals, thereby reinforcing the company's commitment to a sustainable future.



High Net Promoter Score in 2024 Survey

CSP has worked to exceed customer expectations, and this commitment has been reflected in the January evaluation of the *Net Promoter Score*, where CSP scored above 9. The survey results showed predominantly positive feedback, confirming the company's adherence to industry best practices and its reputation for exceptional service.

In addition, constructive feedback has been collected to guide operational improvements in the coming years, ensuring that CSP continues to refine its services and further strengthens customer satisfaction.

By leveraging the insights gained from these surveys, CSP can improve its market position and foster stronger customer relationships while keeping its customer-centric approach at the heart of its strategy.



Alfavet is a company dedicated to veterinary pharmacy based in Germany, which has more than twenty years of experience in the sector. The company specialises in the provision of drugs and nutritional supplements aimed at improving the health and safety of animals of different species; from pets such as dogs, cats or rodents, to farm and exotic animals.

2024 MILESTONES IN FIGURES



Emissions
64 tCO₂e

Percentage of
renewable electricity
72%

ESG Manager
No



Employees
46

Women on the workforce
26

Social Action Projects
**Donation for an animal
shelter**

Equality plan
No



Women on the
Management Committee
0%

Code of Ethics and Code of
Conduct
No

Human Rights Policy
No

Data Privacy &
Cybersecurity Policy
Yes



Headquarters
Neumünster



Sector
Veterinary pharmacy

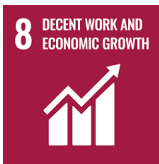


Year of investment
2024

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)



It promotes and contributes to improving the health of the animals that use its medicines and supplements.



Alfavet provides stable and secure work to the company's employees.

2025 GOALS

- Appoint an ESG Manager.
- Develop a Code of Ethics.
- Develop an Anti-Abuse Policy.
- Transition of part of the vehicle fleet to hybrid models.
- Replace the plastic in the *packaging* with recyclable paper.
- Analyze the wage gap.

✓ Completed • Pending



KEY ESG ASPECTS

ENVIRONMENTAL

-  Sustainability has established itself as one of the main levers for generating future value in the company.
-  The company's facilities are not in locations at risk of extreme weather events.
-  Solar photovoltaic panels have been installed on the roofs of its production plant with a capacity of approximately 200 kWp, supplying around 20% of the electricity.
-  Proper classification and disposal of hazardous and non-hazardous waste, especially pharmaceutical waste.
-  The quality of wastewater discharges is guaranteed to comply with all applicable legal standards and environmental regulations.
-  Regular audits of wastewater quality are carried out to ensure compliance with applicable environmental standards.
-  For the first time, corporate ESG objectives and action plans aimed at achieving them successfully have been established.

SOCIAL

-  There are people with disabilities on the staff.
-  A positive organisational culture is fostered by promoting open communication, recognising achievements, and encouraging collaboration.
-  To promote employee engagement, regular feedback sessions are held.
-  Work flexibility thanks to hybrid or remote work options and flexible schedules.
-  To promote well-being and work-life balance, regular breaks are promoted, and schedules are respected.
-  Equality is fostered through inclusive recruitment and regular training.
-  There is a Health and Safety Plan that is being certified in the pipeline.
-  A new computer system has been installed that will allow exhaustive monitoring of any occupational accident that may occur and the absence of employees.

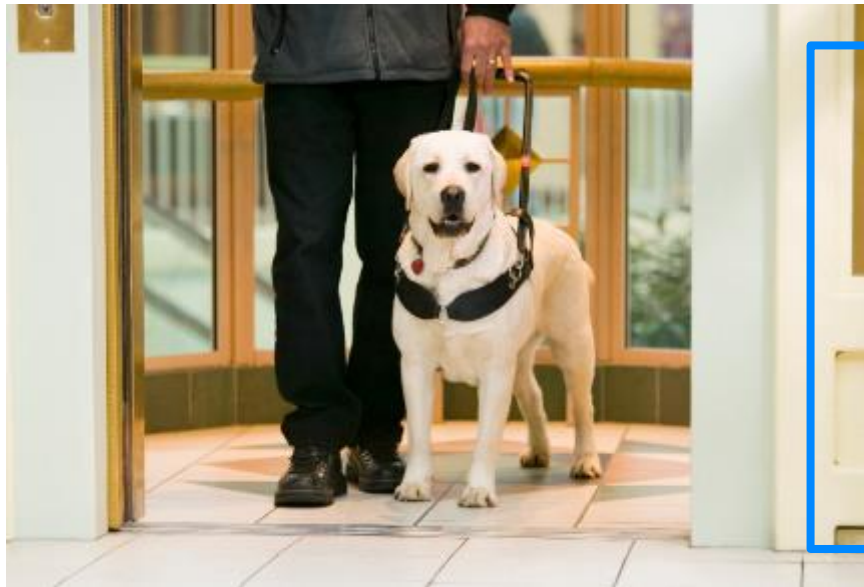
GOVERNANCE

-  Alfavet's main suppliers are located in Germany or Europe, so they are considered local suppliers.
-  It has a Data Privacy and Cybersecurity Policy.
-  Throughout the year, a donation of €1,000 has been made to an animal shelter.
-  Strict compliance with applicable regulations is maintained and best business practices are promoted to mitigate possible risks.

KEY CHARITABLE INITIATIVES OF ALFAVET

Its objective is to promote the inclusion of people at risk of poverty and social exclusion through inclusive hiring practices and collaborations with social organisations. In 2024, Alfavet has contributed approximately €1,000 in donations to support animal shelters.

OUTSTANDING INITIATIVES



Fundamental Principles

Alfavet is a company committed to providing the **best service to its customers**. This commitment is rooted in five fundamental principles: **quality, innovation, experience, knowledge** and **collaboration** with **veterinary clinics** to create products focused on addressing real clinical challenges.

The company is continuously developing new solutions that meet the evolving needs of veterinarians and pet owners. The strictest safety and reliability protocols are followed through **rigorous quality controls**. With more than twenty years in the veterinary industry, Alfavet professionals incorporate the greatest scientific advances into the development of their new products.



Cover all customer needs

In the development of Alfavet's new products, all processes in the life cycle of veterinary visits are considered. Four main phases have been identified: **prevention, analysis, detection** and **treatment**.

Alfavet is present in all these stages. In the prevention phase, Alfavet develops nutritional supplements that promote animal welfare. In the analysis phase, digital sensors are used to monitor the health of the animals under surveillance. In the detection phase, *in vitro* diagnostics are carried out that allow microbiological analyses to be performed on the possible conditions that the animals may present. Finally, in the treatment phase, various pharmaceutical products are marketed with the aim of curing animal diseases and **restoring their health**.



Installation of photovoltaic panels on the roof in production facilities

By 2024, photovoltaic panels have been installed on the roof of the **production facilities**, with a capacity of approximately 200 kWp, which supply around 20% of electricity consumption. These enable Alfavet to significantly reduce dependence on non-renewable energy and contribute to improving environmental responsibility. This initiative will not only drastically reduce dependence on non-renewable energies but also reinforces the company's commitment to environmental responsibility. In addition, the installation of this solar plant is just one of the many initiatives that are to be implemented as part of a comprehensive strategy aimed at optimising the company's environmental performance.

In addition, it has been decided to **hire an energy marketer that works partly with renewable energy**, without ensuring a fixed percentage.

AURICA

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