

SUSTAINABILITY REPORT 2019







This report is an additional transparency effort directed to our investors. We hereby want to prove our commitment as responsible investors as well as our progress in the incorporation of ESG factors in our investment processes and in the management of our portfolio companies. Finally, we show evidence of how we create value through the social, environmental and governance processes and actions.

INDEX

MESSAGE TO OUR INVESTORS



Dear investors,

We are proud to present our first Environmental, Social and Governance (ESG) report. It reflects Nazca's progress as a responsible investor since signing the United Nations Principles for Responsible Investment in 2016.

We founded Nazca in 2001 aiming to become the leading investment platform focused on the Spanish mid-market. Following our leadership ambition, we aim to be also leaders in ESG integration in Spain, as we strongly believe that it provides an additional value-creation lever.

We are aware that, as a private equity firm, we have the fiduciary duty towards our investors to include ESG considerations in our investment decisions and exercise a positive impact in the companies in which we invest and in the society as a whole. This report shows how seriously we take this endeavour.

We pride ourselves of having one of the best and more stable private equity teams in Spain. Each member of the team is actively involved in the ESG management of our portfolio companies and they receive training and external support to address ESG risks and opportunities. All members of Nazca are committed and aligned with our ESG principles.

We have a strong culture of continuous improvement. Looking back, we are proud to report material progress since we publicly committed ourselves to comply with the United Nations Principles for Responsible Investment. 2019 has been an important year for Nazca in our ESG progression, as we have decided to take our commitment further, actioning it with a pragmatic approach.

Our ESG committee created an ESG protocol with specific actions to be implemented by all our investee companies. To achieve this, the committee also decided to apply additional external resources to our ESG activity.

We have also made material progress in transparency, not only by publishing this report (which, amongst others, discloses the contribution of our portfolio companies to the increasingly important SDGs), but also by upgrading our web site with a specific section devoted to our ESG practices.

Our commitment to responsible investment goes beyond our own investment activity. As members of the Alliance for Global Growth, we have engaged with other members about ESG and as a result, we expect to see new signatories from the Alliance soon. We have also collaborated with ASCRI (Spanish Association of Private Equity) in their guide of ESG best practices for private equity investors and have shared our ESG practice with other private equity firms and investors in sector specific conferences.

We like to lead with our example and apply ESG best practices as a company, starting with the disclosure of our Carbon Footprint, engaging as a member of Level 20 in Spain and having solid governance processes.

We are excited about our 2020 ESG agenda, as it is full with new challenges, including the disclosure for the first time of the Carbon Footprint across our portfolio.

We firmly believe that next year's progress will strongly contribute to our long-term value-creation process.


Carlos Carbó
Founding Partner, CEO

Álvaro Mariátegui
Founding Partner, CEO

WHO WE ARE

WHO WE ARE

Nazca is one of Spain's most experienced Private Equity investors focused in the SME segment. Since our origins, investing in family-owned companies and supporting their growth has been at the heart of what we do.



90%
INVESTED IN FAMILY-OWNED SMEs

Nazca was founded in February 2001, to invest in family-owned companies through active ownership and value creation strategies in the Spanish SME segment.



33
PROFESSIONALS

We have a common objective to form part of a successful project, where people are the key element, as well as passion for our profession, culture of team effort and continuous improvement.




STRATEGY FOCUSED ON GROWTH

Our mission is to offer investors the best PE investment platform in the Spanish SME segment, build strong partnerships with families, managers and investors and deliver premium results through a consistent strategy focused on portfolio companies' growth.

ESG

We consider ESG factors in our investment decisions and have decided to make a public commitment with responsible investment by signing the UN PRI in 2016. Today, we strive to take a leadership position in ESG management within the Spanish private equity industry.



OVER €900M FUNDS RAISED IN 5 DIFFERENT FUNDS

We have raised over €900m, analysed over 2,000 companies and completed 69 transactions in many different sectors.



LONG-TERM

We have a long-term vision and believe in long-term relationships. When we invest, we seek to create more resilient and sustainable businesses.

“We founded Nazca in 2001 aiming to become the leading private equity for Spanish SMEs”

OUR STORY

A steady trajectory

Nazca was founded in 2001 by Carlos Carbó and Álvaro Mariátegui aiming to lead the Spanish private equity market. Nazca was born aiming to invest in family-owned companies, which, throughout the years, have become long-term trusted partners.

Supported by international investors, Nazca raised its first three funds, raising a total of 482m and investing in 23 companies. At the end of this period, Nazca had a team of 17 professionals, led by Carlos and Álvaro together with three additional partners, Carlos Pérez de Jáuregui, Celia Pérez-Beato and Ignacio Portela.

After raising Fund IV in 2016, totalling €276.5m, and diversifying its investor base, Nazca decided to take a step ahead and become a multi-fund private equity manager.

As a result, in 2019, Nazca raised Fund V, with additional €150m under management and two distinct teams:

- Fund IV invests in mid-market transactions.
- Fund V invests in lower middle-market transactions, in line with Nazca's initial investment strategy.

Today, Nazca is a consolidated investor, with proven track record and a team of 33 professionals with a total of 9 partners managing 10 portfolio companies.

“Nazca is one of the most experienced private equity houses in Spain, with a proven track record”

2001
Fund I
€100m
7 investees
+ 11 add-ons
Divested

2006
Fund II
€150m
6 investees
+ 3 add-ons
Divested

2010
Fund III
€232m
10 investees
+ 3 add-ons
100% invested
7 divestments

2016
Fund IV
€276.5m
6 Investees
+ 2 add-ons
59% invested

2019
Fund V
€150m
1 Investee
10% invested

OUR PEOPLE

Our investment team

Nazca's team is one of the largest and more stable in the Spanish market, with 25 investment professionals and over 100 years of private equity experience.

9
Partners involved in the decision-making process

25
Employees

Industrial Advisory Board

Nazca's Industrial Advisory Board has a broad industrial experience that supports the investment team during the screening phase as well as the investment period.



Miguel Ángel Canalejo Jaime Carbó Javier Perea Carlos Marcos



Óscar Vela Susana García Tomás Corredor Olga San Jacinto¹

>70%
Have experience in international expansion

Experience
Across a wide variety of sectors

“Nazca has one of the largest and more stable investment teams in the Spanish market. Nazca's partners have been working together for more than 10 years”

1. Olga San Jacinto has joined Nazca's Industrial Advisory Board in January 2020.

OUR INVESTORS

- Nazca's primary responsibility is to our investors. Pension funds, insurance companies, funds of funds, family offices, fund managers and banks trust us and have invested in our funds repeatedly. We are expanding our investors' base geographically and are aware of the increasing priority of ESG within the strategy.
- Nazca is engaging with its investor base on ESG matters to better understand their ESG priorities, as LPs request its GPs to include extra-financial criteria in their investment and management processes.
- Transparency is key to pursue strong and long-term relationships, and we provide transparent information on how we conduct business and implement ESG.

How we deal in ESG matters with our LPs

- 1 Nazca engages in ESG matters during fundraising processes, sharing ESG information and including a specific ESG section in the DDQ.
- 2 Where requested by investors, side letters or specific agreements are signed to accommodate investors' ESG requirements.
- 3 Nazca publishes ESG information for investors in the UN PRI Transparency report as well as its annual sustainability reports.
- 4 Our Annual Investors Meeting has a dedicated ESG section.



Type of investors

	INVESTOR TYPE	GEOGRAPHY	# OF INVESTORS	% NEW INVESTORS
2010 FUND III	65% FoF	96% INTERNATIONAL	10 INVESTORS	24% OF FUNDS
2016 FUND IV	50% FoF	92% INTERNATIONAL	13 INVESTORS	31% OF FUNDS
2018 FUND V	55% FoF	90% INTERNATIONAL	10 INVESTORS	10% OF FUNDS

WHAT WE DO

We invest in companies

- With proven business models and growth potential.
- With strong management teams.
- Between €7-50m in majority or significant minority stakes and up to €80m in co-investment.
- Being generalists, we invest in projects and management teams.
- In the long-term, our investment period is of c. 4 years and we build long-lasting relationships with our investees.

We create value

- **Organic growth**
We accelerate growth by opening new markets or creating new business lines
- **Strategy and focus**
Changing market conditions require a focused strategy and a new competitive positioning
- **Acquisitions**
We accelerate company growth through add-ons
- **Talent management**
We professionalize management, reinforce teams, implement incentive plans and align interests to attract and retain top talent in investees
- **Operational efficiency**
We prepare the organization, processes and operations to support growth

Type of investments

- MBO, MBI, BIMBO
- CAPITAL INCREASES LBO
- ADD-ONS
- MAJORITY /RELEVANT MINORITIES

“We lead change in the real economy”

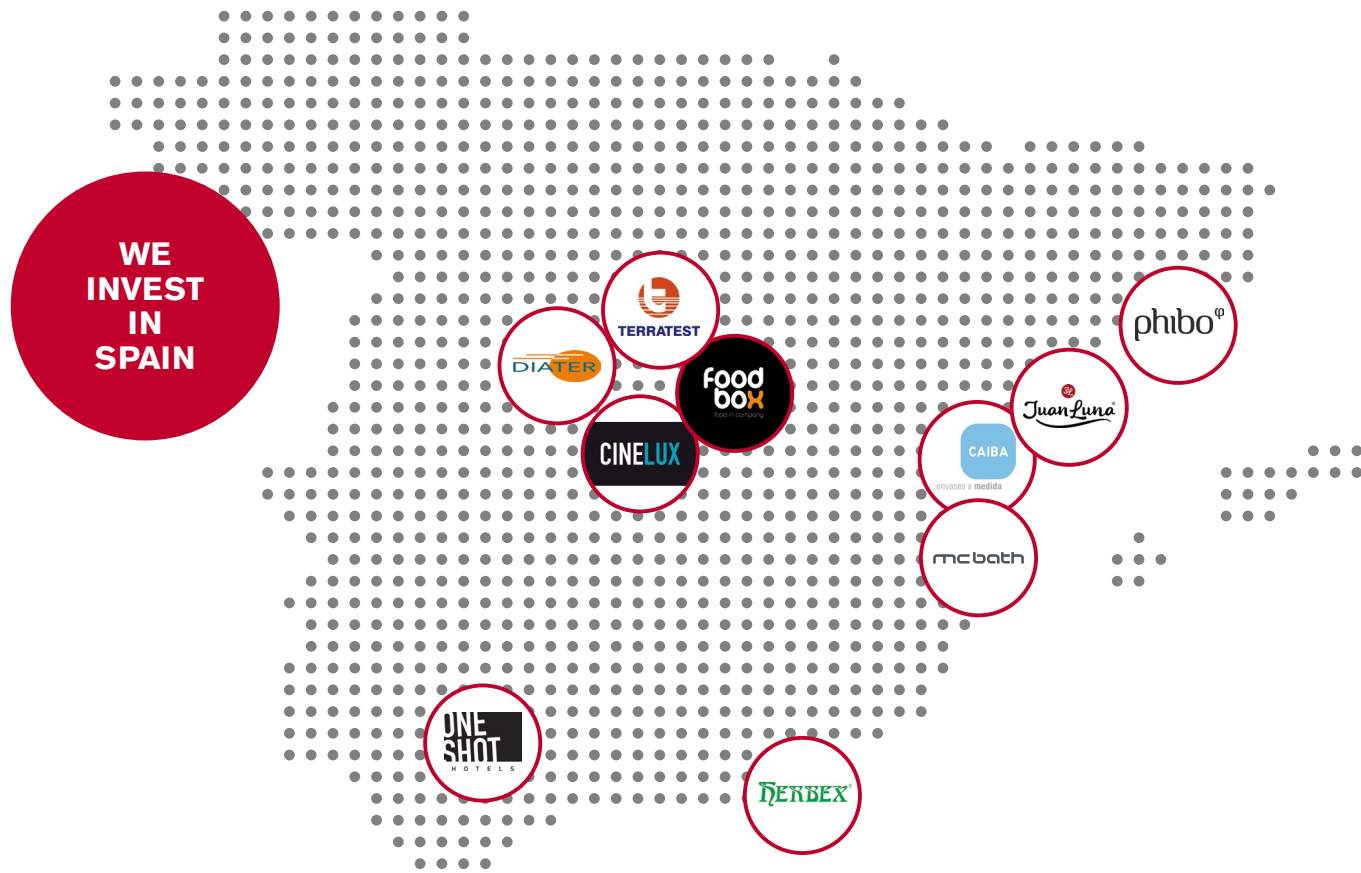
ESG Management

- **Talent Management:**
Alignment of interests (salary incentives) and training.
- **Operational efficiency:**
Energy efficiency, waste management, etc.
- **Strategy:**
Sustainable business, energy transition and circular economy.
- **Acquisitions:**
ESG due diligence.
- **Organic growth:**
New products (Bio), new services (with social footprint), etc.

HOW WE INVEST

- We act as responsible fund managers and work together with managers of our portfolio companies who share our vision of the business and our strategy.
- With a portfolio of 10 companies and a majority position in 9 of them, our role and our responsibility is to encourage, support and measure success of their responsible initiatives.
- We believe that sharing knowledge and best practices adds value.

“We build strong partnerships with families, managers and investors”



30
Invested Companies
(Mid and Small Caps)

10
Portfolio Companies
as of end 2019

90%
Family-owned
companies

90%
Majority
Investments

OUR VALUES

INTEGRITY, HONESTY AND TRANSPARENCY



The base of our success is the trust and reputation that Nazca has built over the past 19 years. Investors trust our double-digit returns, achieved with moderate risk exposure.

The families we invest with are attracted by our reputation as well as our transparency and ethics philosophy.

CULTURE OF PARTNERSHIP



We understand that the value creation process is a teamwork between Nazca's investment team, our business partners' teams and a best-of-class industrial advisors' team.

COMMITMENT TO BUSINESS PARTNERS AND INVESTORS



We believe in long-term relationships, beyond the investment period, building trust with our business partners and investors. With this philosophy, we invest and deliver on our commitments.

RESPONSIBLE AND DISCIPLINED



We are not satisfied unless we deliver the best results, we are detail-oriented and rigorous in our investment analysis.

AMBITION TO LEAD



We aim to lead the Spanish mid-market and to become the ESG reference in the private equity sector.

ESG VALUE CREATION



Through operating efficiencies and cost savings.

Measures applied by Nazca include energy efficiency actions, optimization of hydric resources or minimization of leftovers and waste.

Case studies:

- **Foodbox** restaurants have a management system that monitors leftovers, aiming to minimize waste.
- **Caiba** has implemented an energy efficiency plan in one of the company's premises that has resulted in energy savings above 5%.

We create ESG value in every aspect of the value-creation process



Developing new products or services aligned with customers sustainability choices

such as organic products, raw materials or production of recyclable or biodegradable materials and introducing eco-packaging initiatives.

Case studies:

- **DJL** launched a BIO product line to meet its clients' organic products demand.
- **Herbex** is currently carrying out a plan to increase its organic farming production.
- **McBath** produces shower trays, baths panels and countertops made of resin. The production process requires much less energy consumption and raw material compared with prevailing ceramic products, contributing to the positioning of the company as a sustainable business.



Improving the brand image of the portfolio companies by contributing to their transformation

into sustainable businesses that enables them to access new business opportunities. This stems from the incorporation and certification of best practices in the environmental, health and safety, social or regulatory compliance fields.

Case studies:

- **Caiba** has implemented an ESG strategic plan during the last four years that has positioned the company as a more sustainable business, with advanced eco-packaging practices, increased use of recycled PET and efficient use of energy.



Carrying out actions that contribute to achieving a motivated and productive workforce

such as gender equality and diversity actions, work-life balance, employee wellbeing or compensation policies.

Case studies:

- **Foodbox** has an HR talent plan that allows the promotion of internal talent. Some positions in second-tier management as well as in the training team have been covered with restaurants ground personnel that have followed the program resulting in a promotion.
- **Terratest** is best practice in Health and Safety, with a rigorous safety process and ambitious safety policies and objectives.



Applying a best practice corporate governance model for all portfolio companies

with clear roles and responsibilities and aligned interests. This includes the appointment of a Board of Directors with sector/industry specialists, a continuous performance evaluation of the board, implementation of a corporate compliance program and an ESG Responsible.

Case studies:

- **Caiba** applied Nazca's Corporate Governance protocol and created an ESG specific structure within the company's hierarchy. Caiba's ESG Committee supervises the 3-year ESG action plan, setting specific, measurable objectives. This plan has been fulfilled 1 year ahead of schedule.

“We are aware of the influence we have in the portfolio companies and of our ability to support real change aligned with our ESG strategy”

ESG COMMIT- MENT

COMMITMENT TO RESPONSIBLE INVESTING



Nazca is a UN PRI signatory since 2016 and as such we have committed to the following:

- 1** To incorporate Environmental, Social and Corporate Governance (ESG) issues into investment analysis and decision-making processes;
- 2** To be an active owner and to incorporate ESG issues into our ownership policies and practices;
- 3** To seek appropriate disclosure on ESG issues by the entities in which we invest;
- 4** To promote acceptance and implementation of the Principles within the investment industry;
- 5** To work with the PRI Secretariat and other signatories to enhance their effectiveness in implementing the Principles;
- 6** To report on our activities and progress towards implementing the Principles.

- The 17 interrelated SDGs provide a universal framework to address some of the world's most pressing social and environmental challenges.
- We are aware of the importance of the contribution of the private equity business to the achievement of the SDGs.
- Nazca is committed to generate a positive contribution to achieve the SDG goals by 2030. We constantly monitor risks and opportunities that the SDGs represents within our investment universe, directing capital towards investment opportunities that contribute to these goals, at the same time reducing negative impacts.

ESG INTEGRATION

HOW WE ARE INTEGRATING ESG IN OUR INVESTMENT PROCESS

We believe that responsible investment creates value and we have a Responsible Investment Policy whereby we commit to integrate non-financial ESG considerations as a core value-creation strategy from the initial companies' screening stages, until the exit process.



ESG GOVERNANCE

“To transform responsible investment into a lever that will improve our portfolio’s value and our investee companies’ ESG practices, it is fundamental that all our professionals (both investment and support) become familiarized with the procedures and requirements to integrate ESG matters into their daily investment decisions. Therefore, Nazca provides them with the necessary tools and training to develop this duty and implement this Policy”

Source: Nazca's Responsible Investment Policy

Our ESG Team

- We believe that ESG integration and its effective implementation requires top management involvement, in-house resources and governance.
- Nazca's ESG Committee is comprised by senior members who meet on a quarterly basis.
- The team, reporting to Nazca's Board of Directors, is committed to lead Nazca's integration process, by issuing policies and processes, and making sure that 100% of Nazca's members are fully on board in the implementation of ESG.
- The team's mission is supported on a day-to-day basis by Catalina Chalbaud, Head of Legal, as well as external advisors.

ESG training

- We train our teams to integrate ESG risks and value creation opportunities into the investments.
- The ESG training and performance are considered in the employee appraisal.
- In 2019, the ESG training was focused on how to identify and implement ESG value creation opportunities in investee companies.
- Through different role play activities, Nazca investment professionals had to develop an “equity story” where ESG factors had to be considered.
- This practice is being introduced in their daily work.

OUR ESG TEAM

(from left to right)

- 1 Emilio Manchón
Partner
- 2 Álvaro Mariátegui
Founding Partner
- 3 Ramón Garnica
Partner
- 4 Catalina Chalbaud
Head of Legal, ESG
Champion



ESG STRATEGY

1 ESG screening

- Nazca filters potential investees through its list of excluded sectors which include, amongst others, the following:
 - Companies engaged in the manufacturing or sale of weapons, artillery and ammunition.
 - Companies engaged in the production/commercialization of pornography contents, and prostitution.
 - Companies engaged in the manufacture or sale of tobacco.
 - Companies which deliberated and repeatedly violate laws and regulations within the markets in which these operate.

2 ESG Due Diligence

- Nazca's investment decision process includes a formal assessment of target companies on general ESG factors that could pose risks and opportunities for their short and long-term value creation along the investment lifecycle.
- ESG issues do not only potentially impact the companies' ability to generate financial value and maintain it in the long term, but can also have an impact on their employees, suppliers, clients, the environment, local communities and on the society as a whole.

3 ESG is discussed at the Investment Committee

- ESG Due Diligence findings are discussed in the Investment Committee prior to take an investment decision.
- When a risk of material non-compliance has been identified, companies are asked to effectively manage those risks in order to mitigate or eliminate them.
- At this point, Nazca ensures that those requirements have been well understood and that the company has put in place enough means and resources to tackle the issue.

Nazca's strategy focuses on implementing ESG at all levels of its decision-making processes, generating relevant evidence at each step, ensuring ESG value creation at company level

Nazca requires that its portfolio companies comply, as a minimum, with applicable laws, with the ILO's Fundamental Conventions and with the 10 Principles of the UN Global Compact which aim to ensure the respect for human and employee rights, the environmental protection, and the avoidance of any form of corruption and bribery



4 Portfolio management – Nazca’s ESG protocol



ESG Protocol for new Portfolio Companies	
FIRST / SECOND BOARD MEETING	<ul style="list-style-type: none"> ● Introduce Nazca's ESG policy. ● Adherence to Nazca's ESG policy.
TO BE DONE IN THE FIRST 6 MONTHS	<ul style="list-style-type: none"> ● Appointment of an internal responsible for ESG. ● Call between the investment team, the external ESG advisor and portfolio company's ESG responsible to explain in detail Nazca's ESG policy and how to implement it.
TO BE DONE IN THE FIRST 12 MONTHS	<ul style="list-style-type: none"> ● Implement the Corporate Compliance program. ● Implement short-term initiatives detected at the ESG DD or in the 100 –days plan. ● Definition of the ESG action plan for Year 2. ● Approval of the ESG action plan by the Board.
TO BE DONE BEFORE THE END OF YEAR 2	<ul style="list-style-type: none"> ● Carry out a Board Evaluation. ● Implement the 3/4 initiatives approved in the annual ESG action plan. ● Implement a guide of best environmental practices. ● Discuss Carbon Footprint measurement. ● Definition of the ESG action plan for Year 3 with the external ESG advisor. Requires Board approval.
TO BE DONE BEFORE THE END OF THE SUBSEQUENT YEARS	<ul style="list-style-type: none"> ● Implement the 3/4 initiatives approved in the annual ESG action plan. ● Definition of the ESG action plan for the next year with the external ESG advisor. Requires Board approval.

5
transactions closed in the last 15 months

100%
of the new portfolio companies have a Board of Directors as managing body one month after Closing

100%
of the new portfolio companies have adhered to Nazca's ESG policy at the 1st Board of Director's meeting

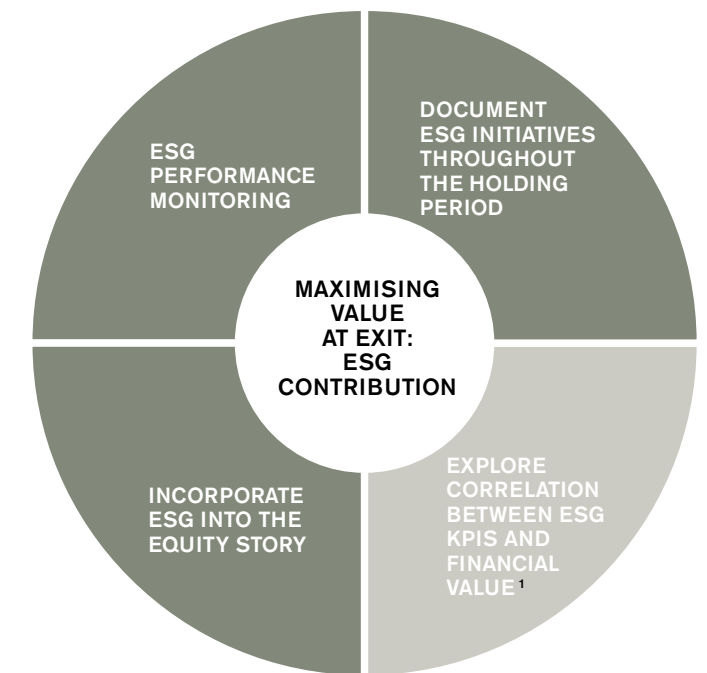
100%
of the new portfolio companies had defined the 2020 ESG action plan by Dec'19



ESG Protocol for existing Portfolio companies	
THE EXISTING PORTFOLIO COMPANIES HAVE IMPLEMENTED SOME OF THE FOLLOWING ACTIONS TO COMPLY WITH NAZCA'S ESG POLICIES	<ul style="list-style-type: none"> ● Adhere to Nazca's ESG policy. ● Appointment of an internal responsible of ESG with reporting duties.
	<ul style="list-style-type: none"> ● Call between the investment team and the external ESG advisor with the Portfolio company responsible of ESG to explain Nazca's ESG policy and how to implement it.
	<ul style="list-style-type: none"> ● Implementation of the Corporate Compliance program.
	<ul style="list-style-type: none"> ● Carry out a Board Evaluation.
	<ul style="list-style-type: none"> ● Implement a guide of office best environmental practices.
	<ul style="list-style-type: none"> ● Discuss Carbon Footprint measurement.
	<ul style="list-style-type: none"> ● Definition of the ESG action plan for the following year (including 3/4 ESG actions, at least one of each ESG topic) with the external ESG advisor.
	<ul style="list-style-type: none"> ● Approval of the ESG action plan by the Board.

5 Exit

- The objective of our ESG effort is to create additional financial value at exit, aligned with Nazca's value creation drivers.
- Best practices, including the Invest Europe guide for ESG implementation, recommend to monitor ESG value creation, act with transparency and report ESG progress attending to the type of exit process carried out.
- Nazca is undertaking its first exit pilot project to monitor ESG value created within its holding period and the ESG changes implemented in its portfolio companies.



The purpose of the exit report is to show ESG contribution to the value creation process

¹ International private equity best practice, not part of the current exit pilot project.

ESG PROGRESS AND EVIDENCE

ESG INTEGRATION MILESTONES

2016

- Nazca's Responsible Investment Policy signed and implemented
- Appointment of Nazca's ESG Committee with 3 initial members
- Signature of the United Nations Principles for Responsible Investment
- Initial ESG training to employees and portfolio companies
- Information sent to Nazca's employees with specific actions to integrate ESG factors in the investment process
- Investors Annual Meeting including ESG discussions
- Launch of philanthropic initiative: collaboration with "Banco de Alimentos"

2017

- Formal integration of ESG criteria into Nazca's investment process
- ESG DD performed for new investment opportunities
- Nazca's team ESG training
- Philanthropic initiative: collaboration with "Banco de Alimentos"
- Nazca instructs its investees to implement corporate compliance programs

2018

- UN PRI reporting framework completed for the first time
- Nazca obtains an A rating in Direct – Private Equity and a B rating in Strategy & Governance in the UNPRI assessment report
- Ramon Garnica appointed new member of Nazca's ESG Committee
- Disclosure of ESG relevant information to investors on Nazca's website
- Corporate Voluntary Work Plan approved
- Nazca's office environmental Best Practices guide approved and implemented
- Nazca completes the implementation of its Corporate Compliance Program
- Nazca's team ESG training
- Philanthropic initiative: collaboration with "Banco de Alimentos"

2019

- UN PRI A rating
- Nazca's ESG Protocol approved. It includes ESG actions that must be carried out by portfolio companies during the investment period
- Adherence to Level 20
- Nazca's team ESG training
- External ESG consultants hired
- Each investee has approved and ESG Plan for the year First year of portfolio ESG monitoring
- ESG Speaker at Invest Europe Summit
- Participation in the ASCRI ESG best practices guide for private equity investors
- Nazca has started to lead ESG actions at "Alliance for Global Growth", a global network of lower-middle market private equity firms

HOW WE DELIVER ON OUR UN PRI COMMITMENT

COMMITMENT	2019 PROGRESS	2020 OBJECTIVES
PRINCIPLE 1: WE WILL INCORPORATE ESG ISSUES INTO INVESTMENT ANALYSIS AND DECISION-MAKING PROCESSES	<ul style="list-style-type: none"> We have trained the investment team in ESG. We have undertaken external ESG Due Diligence in 100% of the acquisitions undertaken since 2016. The ESG DD conclusions have been submitted to the Investment Committee and subject to debate. 	<ul style="list-style-type: none"> We will formalise the documentation of material ESG considerations into Investment Committee materials. We will conduct a pilot programme to incorporate ESG issues within exit process. We will maintain ESG training.
PRINCIPLE 2: WE WILL BE ACTIVE OWNERS AND INCORPORATE ESG ISSUES INTO OUR OWNERSHIP POLICIES AND PRACTICES.	<ul style="list-style-type: none"> We have established an ESG protocol to be applied during our ownership timeframe. We have collaborated with Portfolio companies to define for the first time specific ESG action plans individualized for each company. Each company's board has committed to report to the ESG team on a quarterly basis. 	<ul style="list-style-type: none"> Our ESG team will undertake a high-level ESG Portfolio review every 6 months. We will issue a formal monitoring template to insure integrity in the monitoring of ESG issues at portfolio level. We will instruct all portfolio companies acquired prior to 2019 to measure their Carbon Footprint.
PRINCIPLE 3: WE WILL SEEK APPROPRIATE DISCLOSURE ON ESG ISSUES BY THE ENTITIES IN WHICH WE INVEST.	<ul style="list-style-type: none"> We have started to monitor our portfolio companies towards the completion of ESG objectives. We have identified that 70% of our portfolio publicly report, or are beginning to publicly report, on sustainability-related issues. 	<ul style="list-style-type: none"> We will gather fund-level consistent KPIs across the portfolio. We will encourage our portfolio companies to formalise a Stakeholder map, aiming to start to develop ESG initiatives.
PRINCIPLE 4: WE WILL PROMOTE ACCEPTANCE AND IMPLEMENTATION OF THE PRINCIPLES WITHIN THE INVESTMENT INDUSTRY.	<ul style="list-style-type: none"> We have presented our responsible investment strategy to various stakeholders, including our Limited Partners. We have participated in ESG panels within industry forums such as Invest Europe. We have worked in different ESG-related initiatives with ASCRI (Spanish private equity Association) and the Alliance for Global Growth. 	<ul style="list-style-type: none"> We will enhance our participation in industrywide events that engage investors on ESG Issues, particularly in the "Alliance for Global Growth". We will follow-up our ESG training efforts.
PRINCIPLE 5: WE WILL WORK TOGETHER TO ENHANCE OUR EFFECTIVENESS IN IMPLEMENTING THE PRINCIPLES.	<ul style="list-style-type: none"> We have reported our activities and progress to our LPs as well as UN PRI. 	<ul style="list-style-type: none"> We will share our experience and Best Practices with industry peers, and members of ASCRI.
PRINCIPLE 6: WE WILL EACH REPORT ON OUR ACTIVITIES AND PROGRESS TOWARDS IMPLEMENTING THE PRINCIPLES.	<ul style="list-style-type: none"> We are publishing our first Sustainability Report. 	<ul style="list-style-type: none"> We will continue to discuss with Limited Partners about our approach to responsible investment. We will continue to provide ESG information and respond to investor enquiries. We will develop an ESG measurement and management system for our investments.

ESG KEY INDICATORS

Supported by Nazca, our portfolio companies have started the journey of professionalising the ESG function, starting by having an ESG function in 100% of the companies, lead by a Head of ESG. The next step has been to focus on the disclosure effort, calculating Nazca's Portfolio first set of ESG KPIs. Nazca acknowledges that these KPIs have to show progress and, with this in mind, we lay out our first set of ESG KPIs, aiming to disclose our progress by end of 2020.

	Foodbox	Juan Luna	Caiba	McBath	Phibo	Herbex	Terratest	Diater	Cinelux	One Shot
Environmental										
Carbon footprint disclosed	No	No	Yes	No	No	Yes	Yes	No	No	No
Environmental policy	No	Yes	Yes	No	No	Yes	Yes	No	No	No
Social										
Employment created ¹	-51 ²	48	4	21	7	3	101	11	1	3
Work accidents (frequency and materiality rates)	30.88/ 0.32	2.00/ NA	45.66/ 1.89	63.56/ 1.79	4.1/ 0.1	NA	19.52/ 0.56	0/0	30.25/ 0.09	23.81/ NA
Absentism ³	1.7%	2.8%	0.7%	1.5%	5.2%	11.3%	1.6%	NA	1.8%	NA
Employee turnover rate ⁴	0.29	0.10	0.06	0.09	0.15	0.18	0.06	0.19	0.03	0.51
Value sharing mechanism	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Governance										
Board diversity ⁵	0%	0%	0%	33%	0%	0%	0%	20%	25%	NA
Executive Committee diversity	27%	50%	17%	14%	33%	50%	0%	0%	40%	33%
Board Members' Independence	No	No	No	No	No	No	1	No	No	NA
ESG Supply chain policy	No	No	No	No	No	Yes	Yes	No	No	No

¹ Number of direct employment generated excluding build-ups.

² Foodbox employment has been impacted by the closing of 10 owned stores. Including franchised stores, net employment creation is positive.

³ Absentism measured as n. of absent hours paid and not paid for total workforce (fixed and temporary as a percentage of total company work hours).

⁴ Employee turnover rate measured as total workers leaving the company during the year.

⁵ Percentage of women sitting on the Board of Directors.

Herbex Social KPIs are calculated for Herbex Iberia.



FOODBOX

Founded in March 2015, FoodBox is a Buy & Build project to create a multibrand platform in the Spanish organized restaurant segment. FoodBox currently has 4 concepts and a network of 200 restaurants (mostly franchisees) including Santagloria coffee-bakery shops, Taberna del Volapié "tapas bar", Papizza pizza-al-taglio restaurants and MásQMenos cafeterias.

HEADQUARTERS

Madrid

HEADCOUNT

206

INVESTMENT DATE

April 2015

WEBSITE

www.foodbox.es

RESPONSIBLE FOR ESG

Angel Mir



Food safety

Foodbox has implemented robust controls over food safety, with the 4 company brands (Santagloria, Volapie, MasQMenos and Papizza) complying with the companies' food safety standards. Foodbox's strength in food safety relies on adequate monitoring and data recording. These processes are followed by owned restaurants as well as franchised ones.

Social commitment

Foodbox's social commitment is materialized in the signing of numerous social programs with NGOs and social impact businesses.

Success: 4 social programs initiated in 2019.



Governance

Reflecting ESG Best Practices, Santagloria has been recognized with the 2019 Hot Concepts prize to restaurant management.



SUBJECTIVE 10.3



SUBJECTIVE 12.3



HUMAN CAPITAL DEVELOPMENT

Foodbox has a strong human capital development program, based on two pillars:

- 1** Training: the company has implemented a training program called the "9-step Program" followed by restaurant managers;
- 2** The company can identify talent and develop it to its full potential, hence relying on internal promotions.

Success: two second-tier management as well as the training team have all successfully completed the 9-step program and have been gradually promoted in the company.

Zero Food Waste

Since 2015, during Nazca's ownership, Foodbox has developed strong controls over food waste, through a data management system. The company has waste avoidance protocols as well as a system that allows employees to record daily any food waste generated by the company.



HEADQUARTERS

Valencia

HEADCOUNT

274

INVESTMENT DATE

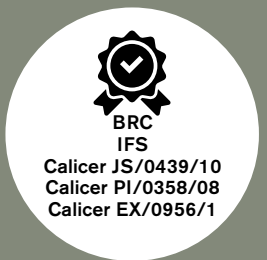
March 2016

WEBSITE

juanlunaslu.com

RESPONSIBLE FOR ESG

Gerardo Gorostiza



JUAN LUNA

Founded in 1990, Distribuciones Juan Luna is a specialized processor and distributor of sliced imported cheese and cured pork products for the organized distribution channel, through a mix of private label (c.70%) and own brands (30%) and more than 1,500 product references. The company owns one of the largest productive premises in Spain, located in Valencia.



Circular Economy

Juan Luna is determined to reutilize the raw material wastage generated during its production process and has implemented a circular economy by which the company sells its wastage to suppliers, who reprocess it turning into new raw material.

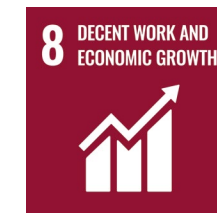
Success: 152 tons of wastage sold to suppliers in 2019.

Human Resources Management

Employees are at the heart of Juan Luna's policies. With a high percentage (61%) of women employees, the company has work-life balance initiatives, diversity committee and protocols surrounding maternity.

Juan Luna has also strong Health and Safety measures in place, with 0 accidents in 2019 in DJL premises.

Success: 2.8% absenteeism rate (compared to 5.5% in the food manufacturing sector in Spain*) and 61% of women employees.



SUBJECTIVE
8.8



SUBJECTIVE
12.3



BIO PRODUCTS

The company has started a commercial strategy by selling "BIO" or "ecological" cheese references.

These types of products have not been treated with pesticides or chemicals that are not natural, and have grown respecting the nature's cycle.

Success: in 2019 Juan Luna sold €263k of "BIO" products.



*Source: Randstad Research, 2H2019



CAIBA

Caiba is the largest national independent group in the PET (plastic) packaging industry in Spain and a specialist in manufacturing PET preforms and bottles/containers for the food, consumer cleaning and personal care sectors. Caiba is the sector leader in key food segments such as olive oil and the national leader in in-house plants.



HEADQUARTERS:

Valencia

HEADCOUNT:

230

INVESTMENT DATE:

July 2016

WEBSITE:

www.caiba.es

RESPONSIBLE

FOR ESG:

José Manuel Picó



Circular economy and eco-design

Caiba believes the recycled PET and eco-design is a market opportunity. The company has seen the opportunity to advise its clients on eco-design, meeting their sustainability goals.

Success: 9.2% of Caiba's raw material comes from recycled PET.

ESG Governance best practice

Caiba has established internal ESG functions and processes that, once adhered to Nazca's ESG policy, guarantee meeting ESG's objectives. The processes include ESG responsible, ESG Committee and 3-year plans.

Success: completion of the 3-year sustainability plan 12 months ahead of schedule.

Quality

Caiba manufactures its products in line with the most stringent quality controls and therefore has been granted with the ISO 9001 certification, as well as the BRC Issue 5 Global Standard for Food Safety, a reference framework which guarantees that containers and materials used in the manufacturing process comply with safety, quality and legislation. In addition, Caiba provides with a HACCP system that identifies, evaluates and prevents the physical, chemical and biological product contamination risks, throughout the supply chain.



SUBOBJECTIVES
12.4 AND 12.5



ENVIRONMENTAL IMPACT REDUCTION

Caiba has the objective to address the environmental impact of its activity through an efficient use of resources and the minimization of the impact of both its activity and its products throughout the supply chain.

- Location of its production plants within customers' premises (in-house plants)
- Innovation design tools to improve the environmental profile of the bottles (already has the capacity to produce 100% rPET bottles)
- Full traceability of Caiba's products carbon footprint
- 100% of scrap is recycled

Success: reduction of 10% in the daily CO2 emissions / 15,403 estimated number of trucks eliminated from the road every year when a new plant-in-plant opens.



HEADQUARTERS
Valencia

HEADCOUNT
162

INVESTMENT DATE
February 2016

WEBSITE
www.mcbath.eu

RESPONSIBLE FOR ESG
Javier Miró

MC BATH

McBath is one of the European leaders in the manufacturing and sale of cast marble (stone resin) shower trays, high-end washbasins and wall panels. McBath is a recognised brand both at national and international level, being present in 17 countries. The company has 12,400 sqm facilities located in Valencia, with state-of-the-art machinery and manufacturing processes.



R&D focused on sustainable production

McBath has a Quality Department that is carrying out studies to reduce the consumption of solvents, change machinery cleaners for more sustainable alternatives and to look for materials that could increase the sustainability of the product.

The company was a pioneer in its segment introducing in 2016 recycled raw materials in the formulation of products. McBath has a strong focus on the reduction of waste and scrap levels in the plant with a continuous improvement plan and has hired 1 FTE to improve waste management.

The company is also eliminating any non-biodegradable packaging from its production chain.

Social

McBath's shower tray catalogue (stone resin) offers a significant improvement in terms of accessibility, adaptability and customization (ultra-thin design and specific modules) for elderly and disabled collectives with effective anti-slip coating (McBath shower modules have anti-slip level C3, which is the highest degree of safety).

Success: 100% of shower tray products are adaptable to senior persons with slip-resistant coating.



SUBOBJECTIVE
7.2



SUBOBJECTIVES
12.4 AND 12.5



ENERGY EFFICIENCY

McBath's energy consumption is well below bathroom equipment manufacturers.

McBath invests in the replacement of fossil-based energy, by using a biomass boiler in its energy heating applications. On top of this, the company has switched to a green energy supplier, minimising its CO2 emissions in energy consumption.

As a result, the company is well placed to face their clients' increasing needs of supply of low carbon footprint products.

Success: in a sector with high energy consumption (30% of cost base), McBath consumption is well below average, 1.6%.





HEADQUARTERS
Barcelona

HEADCOUNT
283

INVESTMENT DATE
June 2018

WEBSITE
www.phibo.com

RESPONSIBLE FOR ESG
Marta Amat

PHIBO

Phibo is the leading Spanish multinational company in the niche market of CAD-CAM designed dental prosthesis and dental implants. Phibo researches, develops, manufactures and distributes its products in 25 countries, mainly in Spain, Europe and LatAm. Phibo has five state-of-the-art production facilities in Spain (2 in Barcelona, 1 in Madrid and 1 in Ourense) and Bogotá (Colombia). During the past 25 years, Phibo has lead the digital transformation of the lab industry pioneering the use of CAD-CAM technology for the production of prosthesis.



Environmental impact reduction

Phibo's environmental commitment has materialized in the utilization of 100% renewable energy, and by the energy transition to a sustainable production model.

ESG in Add-Ons

Phibo has recently announced the acquisition of Sineldent. Within the acquisition process, Nazca has undertaken ESG Due Diligence to ensure responsible investment is applied to all stages of the investment phase.

Philanthropy

Phibo has developed various health-related philanthropy actions, such as a breast cancer awareness campaign "phibosevistederosa".

Phibo organizes every year a philanthropic Christmas present with APINDEP, a cooperative business formed by people with functional diversity.



SUBJECTIVE
7.3



SUBJECTIVE
10.2



SUBJECTIVE
3.4



VALUES AND QUALITY

The values of Phibo define the company's behavior and are part of its decision-making process. These values manifest the company's conduct both internally and externally, and are the following: tenacity, commitment, people-orientation, technical excellence, innovation.

Quality has always been a priority at Phibo, and this is proven by its product guarantee program as well as its numerous certifications.

Success: ISO 9001:2015, 93/42/CEE (Council directive concerning medical devices), ISO 13485:2012, ISO 13485:2003.





HERBEX

Founded in 1985, Herbex is the leading producer and distributor of fresh aromatic herbs in Europe on the basis of its know-how to produce a complete product portfolio in different geographies all year round; its capacity to adapt to customers' needs; its highly diversified business model; and its strong reputation after more than 30 years in the market. The company produces a wide range of products, from fresh aromatic herbs (e.g. coriander, mint, dill, parsley...) to specialty peppers and exotic vegetables, including also the production and commercialization of organic products.

HEADQUARTERS

Almeria

HEADCOUNT

4,776 (including external workers)

INVESTMENT DATE

October 2018

WEBSITE

www.grupoherbex.com

RESPONSIBLE FOR ESG

Yamilet Rodriguez



Environmental policy

Herbex is aware of society's concerns and is committed to protecting the environment, particularly regarding Herbex's activity, which involves sustainable agriculture. The company has published its Environmental Policy where it explains its commitments and objectives.

The company has committed to produce responsibly, reduce contaminants, reduce and manage waste, measure Carbon footprint, innovate to use energy and water-use efficiently, protect habitats, engage stakeholders and transparency.

Following these commitments, the company has started measuring its Carbon footprint in 2019 (based on 2018 data), establishing an emissions reduction strategy.

Strong values in Human Resources management

Herbex has developed a Code of Ethics based on the Agricultural Workers' Convention of Almería, which lays out the guidelines within the scope of labor relations, in order to respect workers' welfare.

The company employs staff from 17 different nationalities, a large portion coming from Morocco. The company makes sure that the appropriate channels are in place to encourage communication with the employees and to avoid any type of discrimination.



SUBJECTIVE
7.3



SUBJECTIVE
12.6



QUALITY AND FOOD SAFETY

Herbex has a commitment with product quality and food safety, as a priority. The company has a Quality policy that describes its commitments with its stakeholders. The company follows BRC (British Retail Consortium) standards and proves its quality record by its numerous certifications.

Success: certifications LEAF, Nurture (Tesco Nature), M&S Fields to Fork, Global GAP, Smeta.





TERRATEST

Terratest is a leading international provider of foundation services, ground improvement and microtunneling, for large-scale international infrastructure projects, industrial, commercial and residential construction. Based in Madrid (Spain), and founded in 1959, Terratest has a significant presence in more than 25 countries, covering the entire range of top market technologies in geotechnical engineering and special foundations. Terratest's main objective is to provide customers with comprehensive solutions for complex geotechnical problems.

HEADQUARTERS

Madrid

HEADCOUNT

1,706

INVESTMENT DATE

December 2018

WEBSITE

www.terratest.com

RESPONSIBLE FOR ESG

Maria del Puy Mas

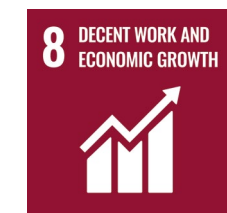


Environmental engagement

Terratest actively participates in the Sustainability Committee of leading sectorial associations; AETESS (Spanish association of ground technology companies) and EFFC (European Federation of Foundation Contractors). This committee is signed up to an international carbon footprint project for the special foundation sector and Terratest measures its Carbon Footprint Scope 1 and 2 since 2015.

Supply Chain

Terratest is implementing its CSR policy throughout its supply chain. Suppliers are requested to adhere to Terratest's policy, including the ISO 14001 requirements.



SUBJECTIVE
8.8



SUBJECTIVE
7.3



HEALTH & SAFETY

Terratest is highly committed to delivering the highest health & safety standards in all the projects carried out. In this regard, the company has a strong health & safety culture, guaranteeing training and information of workers, and encouraging employees' participation. The company has been recognized with the ABC Safety Award and STEP Award (US).

Success: frequency rate (accidents per million working hours) of 19,5 in 2019, well below the 46,1 average for Spanish specialised construction activities sector. In 2019, the group successfully passed 43 safety audits in Spanish projects and 17 safety audits in international projects.





DIATER

Founded in 1999, Diater is a market leader that provides medical professionals with the tools required to meet any medical need in the field of immunotherapy with allergens, providing treatments tailored to each patient. Diater has an extensive portfolio of products that improve the quality of life of patients suffering from allergic diseases. The company's R&D facilities are in its 4,000sqm premises located in Madrid.

HEADQUARTERS

Madrid

HEADCOUNT

110

INVESTMENT DATE

July 2019

WEBSITE

www.diater.com

RESPONSIBLE FOR ESG

José Angel Lopez



GMP
ISO 9001



INNOVATION

Diater committed to innovation in allergic diseases ever since its inception. Its mission is to innovate and develop new diagnostic and therapeutic solutions. This is reflected in the launch of new products intended to improve medical practice and wellbeing in patients with allergies.

To achieve this mission, the company has first-class R&D facilities and collaborates with centres of excellence in Spain and elsewhere.



Ethics

Diater is one of Nazca's most recent acquisitions and has proven to follow the strict Pharma-deontological code as well as fulfillment of its previous owner (Grupo Ferrer) ethics codes and policies, including a code of conduct and whistleblowing policy. Diater is committed to take these values forward, and elaborate its own Ethics Code, regulating all aspects of ESG. All employees receive specific training in ethics and compliance.

Diater pays special attention to pharmacovigilance, aiming to guarantee the correct use of its products hence improving patients' health and wellbeing.

Since Nazca's acquisition, the company has adhered to Nazca's ESG policy and is in process of implementing the Corporate Compliance program.

Diversity

The company's employee base is largely female, with 66% of female employee base. Diater has committed to replicate the Ethics Code from Grupo Ferrer which establishes mutual respect and equal opportunities and treatment, together with work-family life balance labour conditions.



SUBJECTIVE
3.3



SUBJECTIVE
5.5



HEADQUARTERS

Madrid

HEADCOUNT

38

INVESTMENT DATE

July 2019

WEBSITE

www.cinelux.es

RESPONSIBLE FOR ESG

Fernando Yanguela



CINELUX

Founded in 1988, Cinelux is the Spanish leader in rental and operation of lighting equipment for TV shows, series, cinema and events. The company has the largest and most innovative lighting machinery base in the Spanish growing TV and fiction market, as well as a network of highly specialized technical staff that offers an end-to-end service. Headquartered in Madrid, Cinelux has 2 subsidiaries in Barcelona to serve its clients, mainly large production companies as well as TV channels. Cinelux is one of Nazca's most recent portfolio companies, as it was acquired in July 2019.

Strong Values in Human Resources Management

Cinelux' employees have a great commitment to the company, thanks to its people-oriented business culture and the following corporate values:

- Technical capabilities and, above all, human skills;
- Reliability and commitment;
- Passion for a job well done;
- Honesty, dedication, always looking to grow;
- Give more to the customer than requested, give our best in each project;
- Remain critical to improve on a daily basis.

Diversity

Equal opportunities and diversity are a priority at Cinelux, with 25% of Board Members, 67% of the Management team and 39% of employees being female.

ESG Governance

Cinelux has been acquired recently by Nazca's Fund V, and has already implemented Nazca's ESG Governance protocol including (i) its adherence to Nazca's ESG policy (ii) ESG responsible already named and (iii) criminal corporate compliance almost finished.



SUBJECTIVE
7.3



SUBJECTIVE
5.5



ENERGY EFFICIENCY

Cinelux is designing a commercial plan to replace conventional lighting with LED lighting in some of its largest clients' TV shows. This technological shift will allow lower energy consumption and thus minimizing the environmental footprint.





ONE SHOT

Founded in 2013, One Shot Hotels is the third independent hotel chain in Spain with 11 urban hotels within the lifestyle niche. Headquartered in Madrid and present in the main Spanish cities, One Shot Hotels currently has hotels in emblematic buildings located in prime areas (4 Madrid, 3 Valencia, 2 Seville, 1 San Sebastian and Barcelona). One Shot is Nazca's most recent portfolio company, as it was acquired in December 2019 and Nazca's goal is to boost its growth in the main cities of Spain and Portugal.

Headquarters

Madrid

Headcount

72

Investment date

December 2019

Website

www.oneshot-hotels.com

Responsible for ESG

María José Aguirregoitia



Sustainability

One Shot is starting a transformation towards sustainable operations. For instance, the hotel located in San Sebastian is in process of obtaining the ISO 14001 Environmental Management Standard. This certification is particularly important for hotels, as it encourages the optimization of use of resources and is particularly valued by customers.

The hotels also sources its energy needs from thermic solar panels, as requested by regulation in Spain.

In addition, the company is shifting 100% of its plastic non-reusable amenities towards environmental-friendly amenities.

Social Offering

One Shot Hotels' value proposition is based on cultural offering, focused on art and photography young talent sponsorship. The company promotes "One Shot Projects", temporary photography exhibitions which are integrated into the hotel's decor.



SUBJECTIVE
12.2



SUBJECTIVE
7.2 AND 7.3



QUALITY

One Shot Hotels is defined by its excellent price-quality relationship. TripAdvisor average mark is 4.4 and Booking is 8.7. The hotel chain prides itself of "having everything you need, nothing that you don't".



TRANSPARENCY

UN PRI Transparency Report

As PRI signatories, we publicly report on our responsible investment activity. This allows us to:

- Evaluate our RI progress against an industry-standard framework.
- Receive ongoing feedback and tools for improvement.
- Benchmark our performance against peers.
- See the big picture by understanding the state of the market.
- Strengthen internal processes and build ESG capacity.
- Summarise activities for staff, clients, shareholders and regulators.



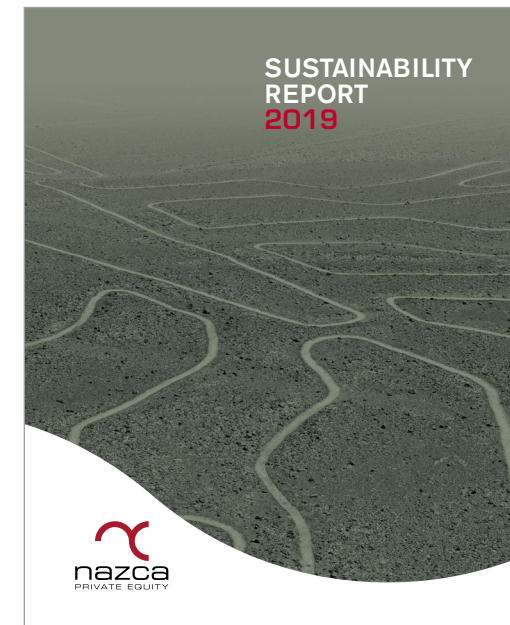
“We are proud signatories of the UN’s Principles for Responsible Investment (PRI) since 2016, having fulfilled with our Transparency commitments since 2018”

Improved ESG content on our web



Find more at www.nazca.es/estrategia/esg

First Sustainability report



“We have updated our web content. It includes new information about Nazca and its investees and an ESG specific section”

ESG ENGAGEMENT WITH STAKEHOLDERS

We engage with The Alliance for Global Growth on ESG

Nazca is one of the promoting members of the "Alliance for Global Growth", a strategic alliance formed by 12 private equity firms in Europe, Asia and the US. These are leading private equity firms in the mid-market space.

Nazca is leading the ESG effort within the Alliance, aiming to increase the number of UN PRI signatories.

33%
of the Alliance for Global Growth members are UN PRI signatories

102
Portfolio Companies

275
Total transactions

12
Calls per year to share best practices

Nazca actively engages with its international partners to promote the implementation of the UN Principles in the investment industry



LEADING BY EXAMPLE

LEADING BY EXAMPLE



Governance

Good corporate governance is the foundation for sustainable growth, economic efficiency, and financial stability.

Nazca leads by example through:

- Code of Conduct
- Anti Corruption Policy
- Compliance
- Conflict of interest policy

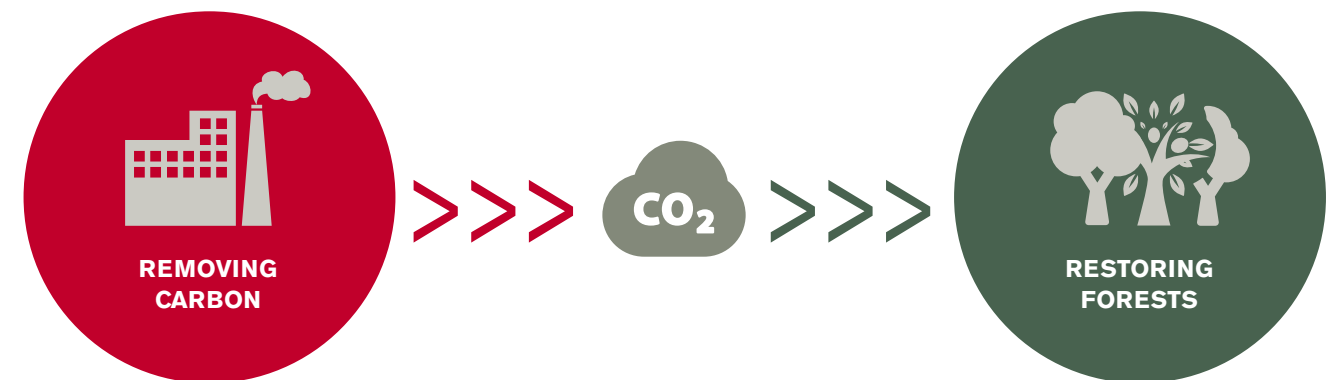
Environment

Nazca is proud to announce that it has started to measure its Carbon Footprint, heading a portfolio-wide project that has two objectives:

- to promote the measurement, reduction and offset of emissions in its own offices, as well as in its portfolio companies.
- Obtain KPIs and information that will allow Nazca to enhance waste management and circular economy in its own premises as well as its portfolio companies.

Nazca's Carbon Footprint ¹

SCOPE	EMISSIONS (TCO ₂ EQ)	% OF TOTAL
Scope 1	47.2	54%
Scope 2	7.4	9%
Scope 3	32.1	37%
Total	86.7	



¹ Note on Carbon Footprint, as of 2018:

• Scope 1 emissions are direct emissions produced by the burning of fuels of the emitter;

• Scope 2 emissions are indirect emissions generated by the electricity consumed and purchased by the emitter;

• Scope 3 emissions are indirect emissions produced by the emitter activity but owned and controlled by a different emitter from the one who reports on the emissions.

Diversity

- Nazca is one of the Spanish Committee members of Level 20 in Spain, with Celia Pérez-Beato being part of its Committee.



Level 20 is a non-profit organisation set up in 2015 to inspire women to join and to succeed in the private equity industry.

11%
Female
Partners

27%
Women in
Executive Positions



CONCLUSION AND NEXT STEPS

ESG integration is now firmly embedded in Nazca's investment framework, with the team fully trained on ESG, the processes developed and 100% of the investment team as well as portfolio companies engaged and participating actively in the ESG integration process.

We look forward to further developing in 2020 ESG integration through the improvement of reporting and monitoring, enhancing the KPI collection process and progressing on our disclosure for the first time of the Carbon Footprint across our portfolio.

And continuing to deliver on Nazca's value promise: excellence in everything we do, hence excellence in ESG delivery.



Philanthropy

Nazca collaborates with Banco de Alimentos, a Spanish NGO that aims to distribute donated food to charities dedicated to the assistance and care of disadvantaged people.

Our assistance includes human, financial and administrative support.

GLOSSARY

Environmental, Social and Governance (ESG) factors are the consideration of environmental, social and governance factors alongside financial factors in the investment decision-making process.

The Principles for Responsible Investing (PRI): founded in 2006 and supported by the United Nations, the PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

Sustainable Development Goals (SDGs): the 17 SDGs were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

Level 20 is a not for profit organisation dedicated to improving gender diversity in the European private equity industry.

Carbon Footprint is the amount of carbon dioxide released into the atmosphere as a result of the activities of an individual, organization, or community.

Limited Partnership (LP): investors in private equity funds are known as Limited Partners. They are usually institutional investors, such as pension funds and insurance companies, or high-net-worth individuals.

General Partnership (GP): General Partners are responsible for managing the investments held by private equity firms, which are typically structured as limited partnerships. They are usually legally liable for the fund.

Key Performance Indicator (KPI): KPIs help organisations to define and measure progress towards organisational goals.

ILO Fundamental Conventions: the International Labour Organisation (ILO) sets out basic principles at work, reflected in Conventions or Protocols, which are legally binding international treaties that may be ratified by member states.

The United Nations Global Compact is the largest corporate sustainability initiative, based on CEO commitments to implement universal sustainability principles and to take actions that advance societal goals.

The BRC certification is an international Food Safety Management Systems standard that requires food processors to build an effective food safety management system.

The International Food Standard (IFS) is a recognised standard for certifying the safety and quality of food products and production processes.

ISO 9001 is the international standard for a quality management system.

ISO 1400 is the international standard that specifies requirements for effective environmental management system (EMS).

ISO 13485 specifies requirements for a quality management system where an organization needs to demonstrate its ability to provide medical devices and related services that consistently meet customer and applicable regulatory requirements.

LEAF, Linking Environment and Farming, is the leading organisation delivering sustainable food and farming.

Nurture is Tesco's exclusive quality standard which assures the customer that Tesco's fruit and vegetables are grown in an environmentally friendly and responsible way.

M&S Field to Fork is Marks & Spencer's standards for food safety and quality, animal welfare and environmental protection.

Global G.A.P.: is a trademark and a set of standards for good agricultural practices. It is a global organization with a crucial objective: safe, sustainable agriculture worldwide. Voluntary standards are set for the certification of agricultural products around the globe.

Smeta: Sedex Members Ethical Trade Audit (SMETA) is an audit methodology, providing a compilation of best practice ethical audit techniques.

UNE 166002 defines the requirements that have to be fulfilled by an R&D management system.

The CE Mark Piles is a certification mark that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area.

Good manufacturing practices (GMP) are the practices recommended by agencies that control the authorization and licensing of the manufacture and sale of medical devices, amongst other products.



NAZCA CAPITAL SGEIC, S.A

C/ Almagro 23, 1º

28010 Madrid

info@nazca.es

+34 917 000 501

www.nazca.es

