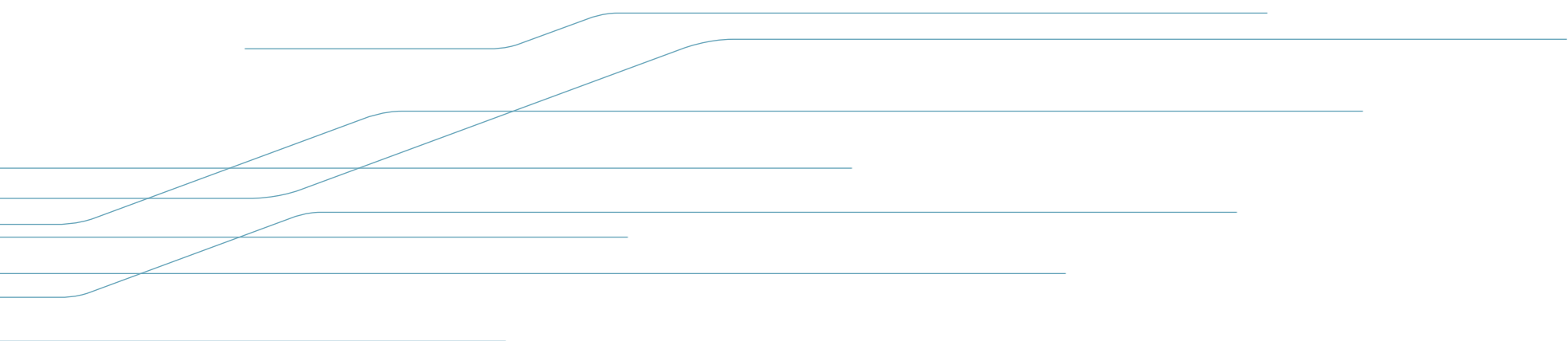


Sustainability report 2021



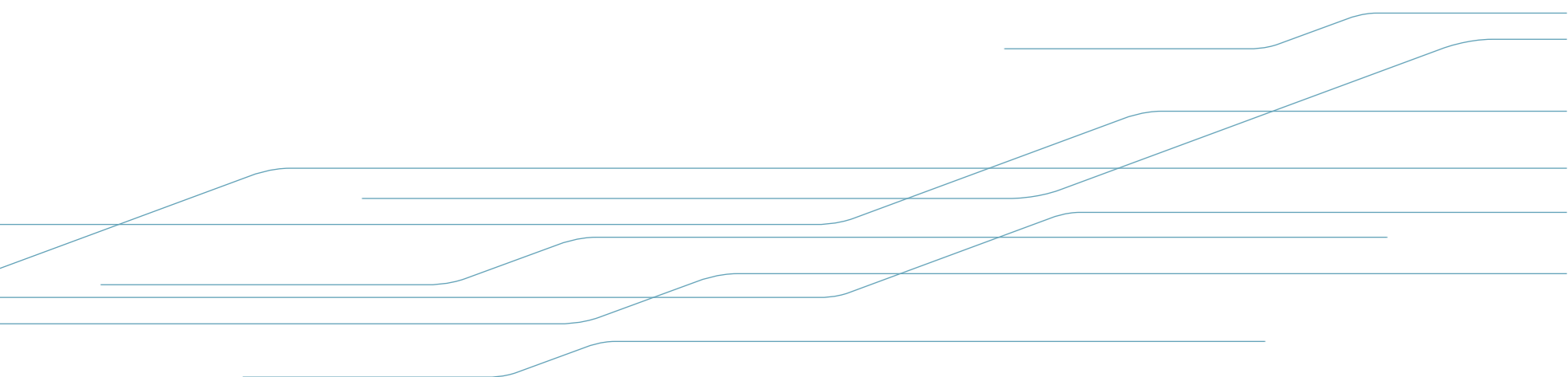


We present this report amidst the recent invasion of Ukraine that has prompted a massive humanitarian crisis in Europe. This only consolidates the importance for investors to rethink and prioritise ESG matters in order to counter and prepare for some of these critical global issues.

This report is the proof of **Nazca's commitment** as responsible investor and to our progress in the incorporation of ESG factors in our investment processes and in the management of our portfolio companies.

2021 has been a year of growth at Nazca: we have made great advancements in measuring ESG indicators throughout our portfolio and including the impacts of Climate Change in our decision-making process.

We are proud to show our progress and hope you enjoy reading our report.



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Message to our investors

Dear Investors,

We are proud to present our third Sustainability Report to you, where we highlight progress in the stewardship of our LP's capital, our fiduciary duty.

In 2021 our business has returned to our "new normal", with Covid being part of our lives and of the businesses we invest in. This new normal has brought many challenges but also many opportunities, citing Climate Change and sustainability-enabling innovation, amongst others. It has also given us the opportunity to continue pursuing excellence in how we integrate ESG factors in our investment process. In this sense, we have taken key decisions that will allow us to deepen the engagement we have with our portfolio companies:

- ESG commitments will be included in every shareholders' agreement we sign from now on;
- A strategic long-term sustainability project will be implemented in each of our portfolio companies, as we are determined to leave Nazca's footprint beyond our hold period. This project will allow us to embed ESG in the strategy of each company and contribute to its long-term value-creation process, profoundly changing our previous approach, which was focused on a shorter term 3-year period.
- We will enhance our ESG KPI data gathering, including SFDR, ILPA Data Convergence Project, as well as materiality-based SASB KPIs. We have launched this initiative in December 2021, and its results are communicated in this report.

Nazca's commitment as a signatory to the UN Principles of Responsible Investment is renewed every year, when considering next steps to progress towards our target of complete integration of the six responsible investing principles. This year, we are proud to have successfully responded to the challenging SFDR regulation and we are aiming to classify all our funds as Article 8 during the year to come. We have also strengthened our ESG Committee with additional senior members, bringing in both experience and enthusiasm.

Our professionals still receive ESG training that, step by step, allows them to ensure that sustainability best practice is understood, and implemented as part of our culture, in turn seeking to optimize value for our investors.

As we did last year, we have recognized three portfolio companies for their excellent ESG progress, Diater, Filmin and One Shot. The ESG Leaders at each company have played a key role in embedding sustainability as part of their strategy, pushing forward the action plan and delivering results.

All in all, each year we carefully consider each lesson learned and strive to improve our processes and our engagement with the portfolio companies. We find there is no better way to ensure that sustainability is entrenched in each companies' strategy, being part of yet more successful equity stories.

Sincerely,

Carlos Carbó
Founding Partner, CEO

Álvaro Mariátegui
Founding Partner, CEO

2021 highlights and ESG Value Creation

- We have responded to the SFDR requirements, both at Management Company and Fund level. Fund VI will be set up as Article 8 product, while we intend to reclassify our existing funds (Funds IV and V) as Article 8 as well.
- We have updated our Responsible Investment Policy and have aligned it with the SFDR requirements. Our investors and regulator can access the SFDR requirements on our web page, being publicly available at <https://www.nazca.es/en/strategy/esg/>
- We have also re-thought our ESG protocol to adapt it to the level of maturity we have reached. The greatest progress in 2021 has been the decision

5 funds

€ 500 M funds managed

86 transactions

36 professionals

91 % family business

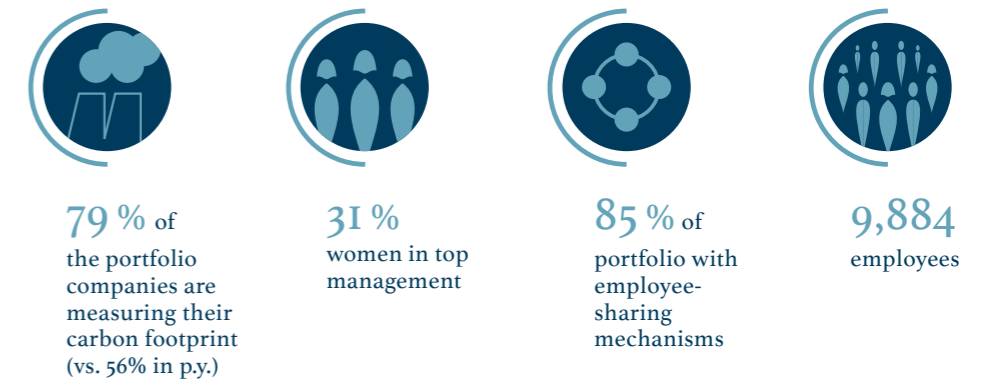
to immediately activate a long-term sustainability strategic plan post-closing, to be approved at Board Level. Each company will define with the help of a sustainability expert, mid and long-term objectives, linking sustainability to the company's strategy. This plan will be approved and followed-up periodically at Board level.

- We have undertaken a new and ambitious KPI project, reassessing our initial KPI set. We have designed our framework selecting those that are financially material according to SASB and decision-useful for Nazca. In addition, we have completely re-designed our KPI data set including the (i) SFDR Principal Adverse Impacts described in the RTS, (ii) the KPIs defined by the Data Convergence Project issued by ILPA, and (iii) our traditional set of KPIs. The complete data set is available upon investors' request.
- We have responded to the United Nations Principles for Responsible Investment (UN PRI) new reporting framework, including the climate modules (TCFD).
- We have done a materiality map that allows our portfolio companies to have more clarity in sustainability financially material themes, that drive their strategy. We have completed a materiality map for 100% of the portfolio using SASB methodology.

ESG IN THE INVESTMENT PROCESS



OUTCOMES: ESG VALUE CREATION



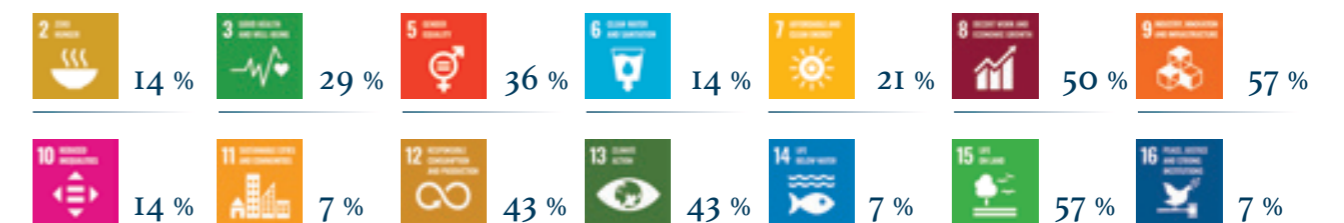
- We have advanced in the TCFD's commitments, approving a roadmap that allows us to further integrate Climate Change at Governance, Strategy, Risk Management and Measurement levels. 100% of our portfolio companies will have an emissions reduction plan in 2022.
- Our portfolio companies are progressing in reporting to us on sustainability indicators on a quarterly basis.
- We have reinforced our ESG Committee with the presence of Ignacio Portela (Partner) and Hilario Albarracín (Advisory Board Member).
- We have organised the second edition of Nazca ESG prizes, showcasing Diater, One Shot and Filmin for their excellent progress in 2021.

AGROINDUSTRIAL	22 %
BUSINESS SERVICES	28 %
HEALTHCARE	14 %
INDUSTRIAL	22 %
RETAIL	14 %

2021 PORTFOLIO



CONTRIBUTION TO THE SDGs *



* % of portfolio companies that contribute to each SDG

Nazca's ESG material themes across our portfolio

1) CLIMATE CHANGE

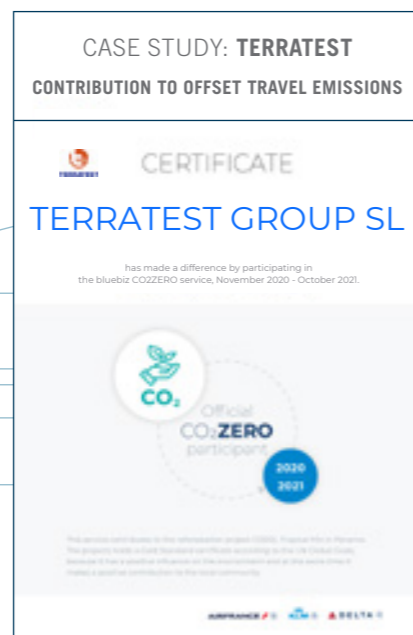
The first year of the COVID 19 pandemic hit the world by shock, and governments, businesses, and citizens alike, tried their best to survive. As we settled into the new normality of living with a global pandemic, the focus shifted from surviving to adapting and thriving under these new conditions. The pandemic brought to light certain pressing issues that can no longer be ignored. For this reason, climate change remains a top priority in Nazca's ESG agenda.

2021 equally marked the 26th edition of the much-anticipated Conference of the Parties (COP26) which took place in Glasgow. The commitments made by the private sector at this last conference exceeded all those made up to this point. The regulatory and financial commitments at COP26 highlight the importance of climate-related target-setting, transition planning and disclosure which are all priorities for Nazca.

As supporters of the TCFD since December 2020, we have started the journey to apply its recommendations, which are challenging when investing in SMEs. This is our main motivation, knowing that the 14 companies we are invested in and those which will come, will have the benefit of having a climate-conscious shareholder who takes Climate Change very seriously.

We are proud to report that in 2021, 79% of our portfolio companies have calculated their carbon footprint, compared to 56% in 2020, and that with no doubt we will achieve our goal of 100% carbon footprint measurement by the end of 2022. Also, by end 2022, all of Nazca's portfolio companies will have emissions reduction plans in place.

Terratest Group stands out for its environmental strategy, and in particular for its emissions' reduction plan, having offset its travel emissions in the past two years



2) INNOVATION

Amongst the many lessons learnt from the COVID 19 pandemic, the importance of innovation and digitalization has continued to be a key theme. At Nazca, we believe that it is important to invest in companies that deliver groundbreaking solutions for their respective sectors. All of our portfolio companies participate in R&D projects, in collaboration with public (CDTI for example) and private institutions (universities, hospitals, etc.)

We are also directing capital towards innovative businesses, having acquired in 2021 majority stakes in three companies: Zunibal (technological sector), SeproTec (technological sector), and Nutris (health sector). All in all, we continue to strive to create sustainable long-term value for our investors by strategically investing in cutting edge technology and digitalization, in line with growing global tendencies.

This year, the founders of Filmin, a VOD platform business, have been featured on Emprendedores' list of Spain's most relevant entrepreneurs. Filmin has thrived throughout the pandemic thanks to its visionary business model creating long-term value for its investors.

This could not be done without our team, and specially our Industrial Advisory Board, with a strong innovation experience, reinforced in the past two years.

We continue to strive to create sustainable long-term value for our investors by strategically investing in innovation and digitalization

However, the level of disruption that innovation brings along can be so extreme that the debates are focused on how to apply ethics and values. We are proud that our top priority is that all of our investees implement corporate compliance within 12 months of closing, ensuring that ethics and observation of laws are a key pillar of each business we invest in.

CASE STUDY: **DIATER**

**SUBLINGUAL ADRENALINE
R&D PROJECT**

IN COLLABORATION WITH:



INSTITUTE OF APPLIED RESEARCH
TECHNOLOGICAL SECTOR



Universidad
de Alcalá



Hospital Clínico
San Carlos

3) SOCIAL AGENDA

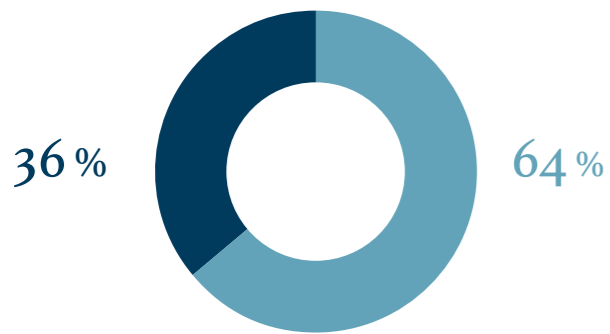
“From the outset, environmental and social aspects have been part and parcel of the EU’s sustainable finance strategy. The need for social investments in order to achieve the sustainable development goals (SDGs) on the 2030 Agenda, as well as to realise the social internal market envisaged in the Treaty on the European Union, is widely recognised.”¹

The social component is now part of the EU’s sustainable finance agenda, with the Social Taxonomy recently published. Nazca, as responsible investor, believes it is important to monitor and report the social impact of our portfolio companies, noting that SMEs have a key role to play in the Spanish society.

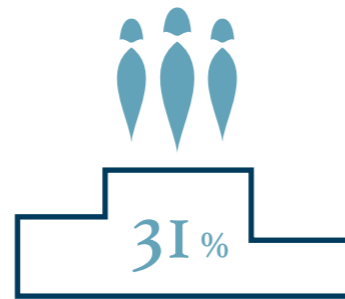
Many of our portfolio companies are present in rural areas (Eurocebollas, Herbex, Laboratorios Almond, just to give some examples), and help their regions grow and raise employment and living standards. We track data related to employment to ensure that we generate quality, long-term employment, with strongly motivated talent, while respecting and promoting diversity.

Throughout our diverse portfolio companies we have been able to hire a wide range of talent from different areas of Spain. Most of our portfolio companies have either already registered their Equality Plan or have begun to structure it. Furthermore, our recently approved ESG protocol requests that all our portfolio companies have a gender Equality Plan by end 2022, including those which are not obliged by law.

PORTFOLIO COMPANIES WITH
EQUALITY PLANS²

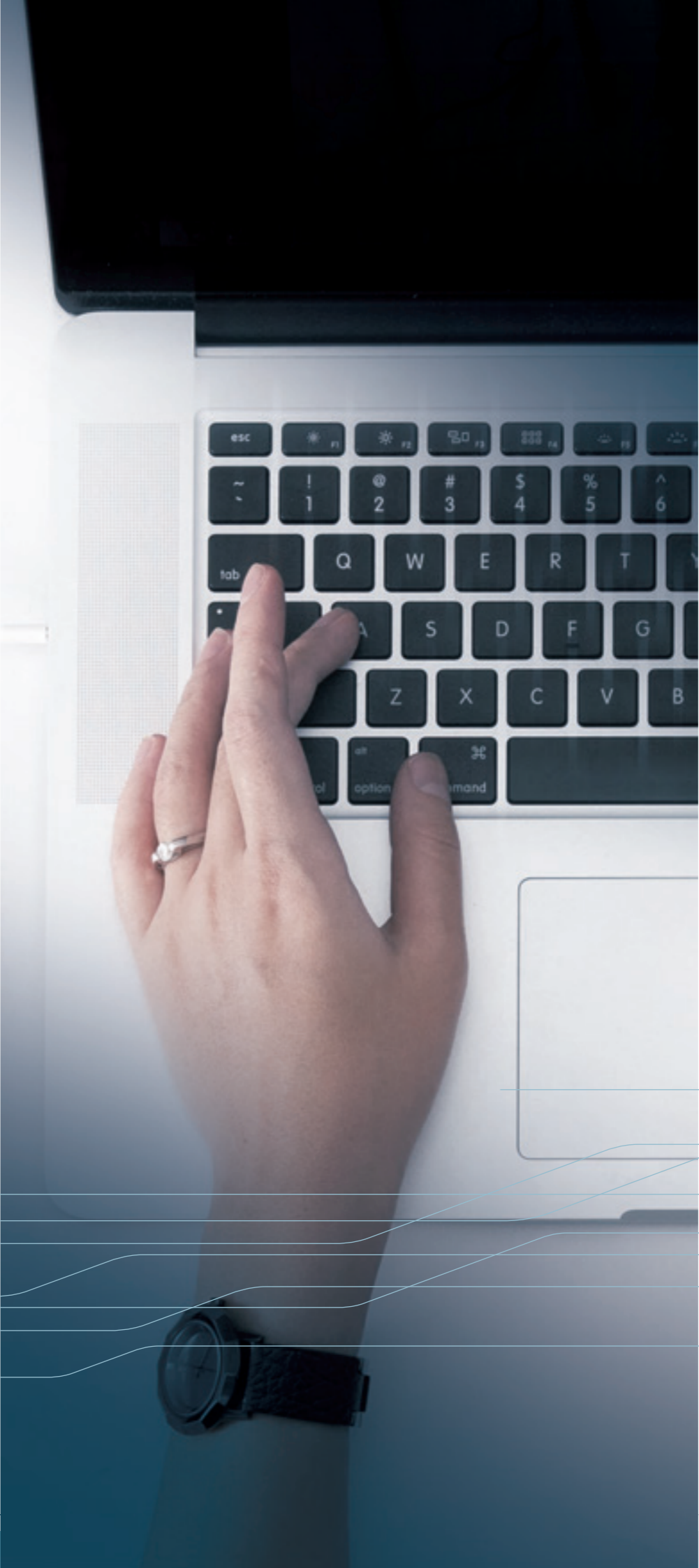


WOMEN IN TOP
MANAGEMENT POSITIONS



¹ Source: Draft Report by Subgroup 4: Social Taxonomy

² Equality plans registered or in process of being registered according to Spanish Legislation



4) REGULATION AND KPIS

2021 was an important year in the European regulatory landscape with sustainability and the EU Green Deal at the forefront of the agenda. In March 2021, the SFDR came into force reinforcing the regulatory trends focusing on disclosure obligations for financial market participants.

Other than the mandatory obligations laid down by the law, voluntary sustainability-related disclosures in the financial sector are no longer “nice-to-have” and are quickly becoming “must-haves” that are expected by all our stakeholders.

At Nazca, the SFDR confirms a job well done: when we signed up to the UN PRI we aimed to become an ESG best practice in the Spanish market. Not only have we achieved this, but we are at the forefront of regulatory delivery.

The Disclosure Regulation requires stringent transparency efforts, including a set of ESG KPIs. We are seeing the industry struggle with this challenge, and we can proudly say that we are ready.

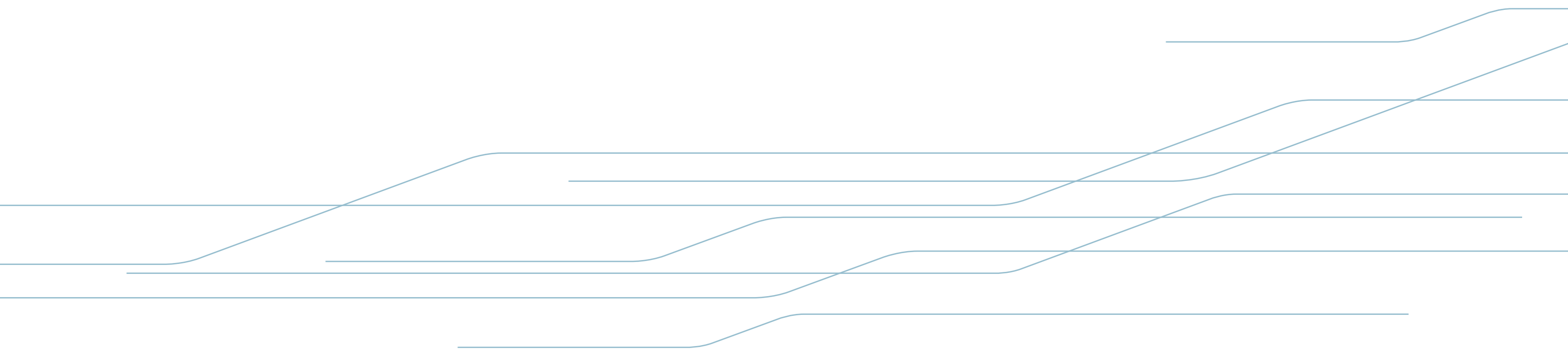
During this year, we have also strived to go beyond regulatory compliance and align our reporting practices with industry best practice. This is the reason why we have enhanced our ESG KPI set and we are confident that our investors will find it extremely useful: we have submitted our application to the Data Convergence Project which sets additional KPIs on top of SFDR KPI requirements; we have also included the financial materiality concept in our data gathering.

We believe our KPI set is now strong, robust, and regulation-proof, which provides us with the highest quality information we need in our decision-making process thus allowing us to make the right sustainability decisions that contribute to the value-creation process.

This ambitious project results in our companies' currently measuring more than 25 different KPIs on a regular basis.

We have submitted our application to the Data Convergence Project which sets additional KPIs on top of SFDR KPI requirements. We have also included the financial materiality concept in our data gathering

*Who
we are*




Who we are in a snapshot

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

Founded in 2001, Nazca is an independent private equity firm that has managed over €900m funds that our clients, institutional investors, have trusted us with.

We are the leading investor in Spain in mid-market, family-owned companies:

- 86 transactions (37 investments, 26 add-ons and 23 exits)
- We specialize in achieving partnerships with families (92% of our projects), investing with majority and minority tickets.



92 %
Invest in family-owned SMEs



Strategy focused on growth



36
Professionals



5 Funds
Over € 900m funds raised, completing 86 transactions



Long-term relationships



**UN PRI signatory
TCFD supporter
DCP signatory**

COMPLEX TRANSACTIONS

- Negotiation with an ample number of shareholders or groups of shareholders.
- Transactions that require multiple and simultaneous M&A processes and execution.
- Corporate restructuring needs and redefinition of the Business Plan prior to closing the transaction.
- Distressed situations.
- Incorporation of new Management Teams.
- Meticulous ESG analysis, analysing the contribution to the value creation and value preservation process.

OUR INVESTMENT PHILOSOPHY IS BASED ON THREE BASIC PILLARS

Industrial Focus

- Value creation through growth and operational improvement, supporting families and management teams that are committed and motivated by the project.

Active Management

- Maximum commitment and dedication, with great involvement from the senior team: 2 partners and 1 investment director in each Board.
- Board meetings with an executive focus, with clear objectives, focused on decision-making.
- Additional resources to meet our objectives, including the IAB (Industrial Advisors Board) as well as ESG specialised consultants.

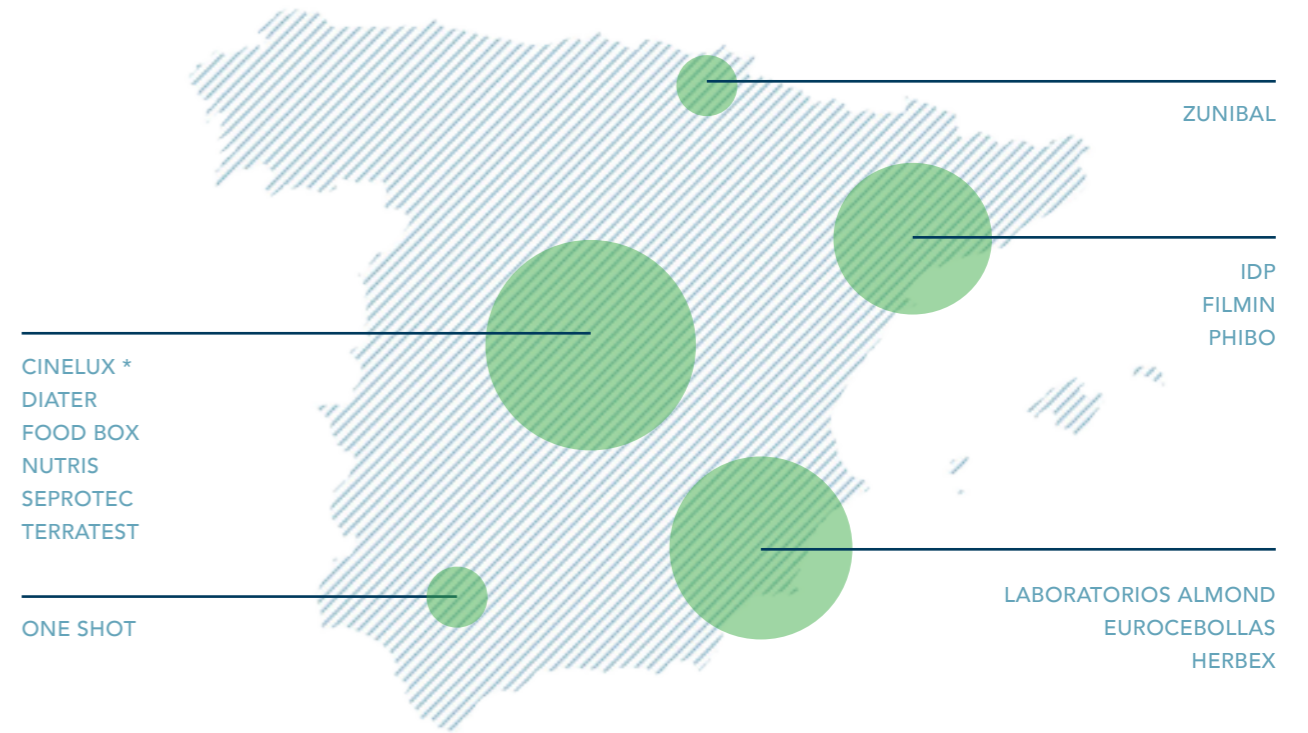
Independence and reputation

- Independence in the decision-making process (investment, divestment, management of portfolio companies).
- Respect for our partners and support to our management teams.
- Excellent ESG reputation in the Spanish market and among our LPs.

In 2021, we have invested in 3 new portfolio companies: Nutris, Zunibal and Seprotec. We have divested Juan Luna and Caiba

We have strengthened our geographical focus in the Madrid Area and the Basque Country

GEOGRAPHIC LOCATION



* Divested in February 2022.

We continue attracting new partners, having invested in 3 new companies in 2021 +5 add-ons

2001	2006	2010	2016	2019
FUND I	FUND II	FUND III	FUND IV	FUND V
€ 100 m	€ 150 m	€ 232 m	€ 276.5 m	
7 investees	6 investees	10 investees	8 Investees	5 Investees
+ 11 add-ons	+ 3 add-ons	+ 3 add-ons	+2 add-ons	36% invested
Divested	Divested	100% invested	85% invested	1 divestment
		9 divestments	1 divestment	



OUR INVESTMENT TEAM

Nazca's team is one of the largest and more stable in the Spanish market, with 21 investment professionals and over 100 years of private equity experience.

9

Partners involved in the decision-making process

26

Employees

21 %

Women in the investment team

INDUSTRIAL ADVISORY BOARD (IAB)

We have recently welcomed a new member to the Industrial Advisory Board, Hilario Albarracín. Hilario has been president of KPMG in Spain for the past 5 years. During his +30 year career, he has acquired a vast audit experience at Ibex-35 companies and deep understanding of ESG as a value creation lever.

78 %

Have experience in international expansion

20 %

female talent in the IAB



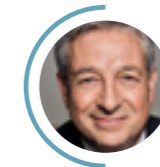
Miguel Ángel Canalejo



Jaime Carbó



Javier Perea



Carlos Marcos



Javier Martín



Óscar Vela



Susana García



Tomás Corredor



Olga San Jacinto



Hilario Albarracín

OUR INVESTORS

Our ESG effort has been recognised by our investors and the Spanish PE industry thanks to our progress as well as our ESG capabilities at investment.

We care about our LPs' ESG commitments and take our fiduciary duty seriously

20

INVESTORS

€ 500 M

ASSETS UNDER MANAGEMENT

95 %

ARE INSTITUTIONAL INVESTORS

12

ESG DD QUESTIONNAIRES DURING FUND IV AND FUND V FUNDRAISING

HOW WE CREATE VALUE

■ ORGANIC GROWTH

We accelerate growth by opening new markets or creating new business lines.

■ STRATEGY AND FOCUS

Changing market conditions requires 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.

ESG is integrated in the company's strategy with financial materiality criteria

■ TALENT MANAGEMENT

Alignment of interests (salary incentives), training.

■ OPERATIONAL EFFICIENCY

Energy efficiency, waste management.

■ STRATEGY

Sustainable business, energy transition, circular economy.

■ ACQUISITIONS

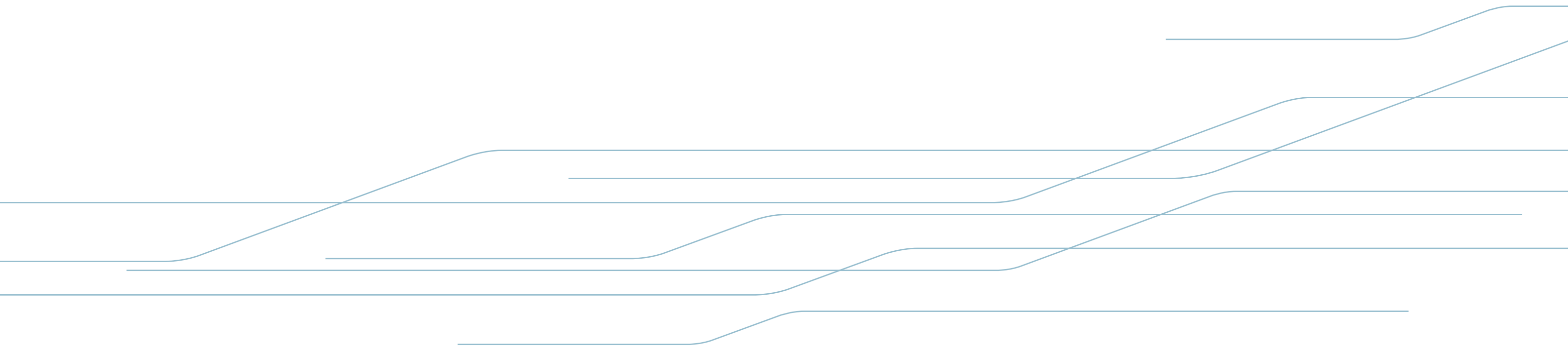
ESG due diligence and professional ESG mid and long-term plans.

■ ORGANIC GROWTH

New products (Bio), new services (with social footprint), etc.



ESG *commitment*



Our 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.



CONTINUOUS IMPROVEMENT IN OUR UN PRI SCORING



Our response to the SFDR

The **Sustainability Financial Disclosure Regulation** is now a reality. It requires asset managers, and explicitly private equity funds such as Nazca to take certain disclosure steps at Management Company level. It also requires funds to be classified in accordance to the SFDR articles. We welcome this legislation as it allows the private market to have a clear regulatory reference of sustainability. It has also acted as a booster at Nazca, and motivates us to continue our path of ESG excellence.

In this section we explain the compliance at Management Company by disclosing on our website:

- Our sustainability integration process, described in our Responsible Investment Policy.
- Information pertaining to how our remuneration policy is consistent with the sustainability risks.

SFDR'S IMPACT IN OUR INVESTMENT PROCESS

In our Responsible Investment Policy, Nazca commits to integrate non-financial ESG considerations, including sustainability risks and principal adverse impacts of investment decisions on sustainability factors, as a core value-creation strategy, from the initial companies' screening stages, to the end of its investment life.

1. **Screening.** Excluded sectors and companies.
2. **Due diligence process.** Formal assessment of target companies on financially material ESG factors and principal adverse impacts that could pose risks and opportunities for their short- and long-term value creation along the life of the investment.
3. **Investment decision.** When a risk of material non-compliance or material adverse impact on sustainability factors has been identified, companies are asked to effectively manage those risks and material adverse impacts in order to reduce them.
4. **Ownership period engagement.** Nazca ensures that the investment decision requirements are well understood and that the company has an action plan and sufficient resources to mitigate risks and material adverse impacts.
5. **Exit.** We perform an ESG assessment to determine the extent to which our management has contributed to the creation of a more valuable and sustainable company.

We consider sustainability Principal Adverse Impacts prescribed by Article 4 of the Disclosure Regulation and developed in the Final Report on draft Regulatory Technical the Standards

Our funds' pre-contractual information has been updated with the CNMV. All of our funds are registered as Article 6 and will be re-classified as Art. 8 in 2022. Fund VI will qualify for Article 8

Our Contribution to the SDGs

The Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030 and seek to mobilize global efforts around a common set of goals and targets. The SDGs call for action among governments, businesses and civil society to end poverty and create a life of dignity and opportunity for all, within the limits of the planet.

The 17 SDGs provide us with a fantastic framework to work with, given the variety of themes we find in our portfolio companies. Our methodology allows to link these themes to metrics and targets, allowing us to transparently communicate outcomes.

The related reporting against the SDGs is an evolving field, but just as investors and portfolio companies can be held responsible for ESG risks, so too can they claim some credit for enabling progress towards SDGs.



SeproTec was awarded the Red Cross prize in September 2021

Case study SEPROTEC

“It wouldn't be right to work with no regard for the future, so at SeproTec we strive to do business in a way that doesn't compromise the welfare of future generations. This concept marked a turning point for SeproTec, the reimagining of a business no longer content with just adding value for its clients and convinced that was imperative to include societal concerns in its strategic plan”

SeproTec is a signatory of UN Global Compact.

Source: UN Sustainable Development Goals

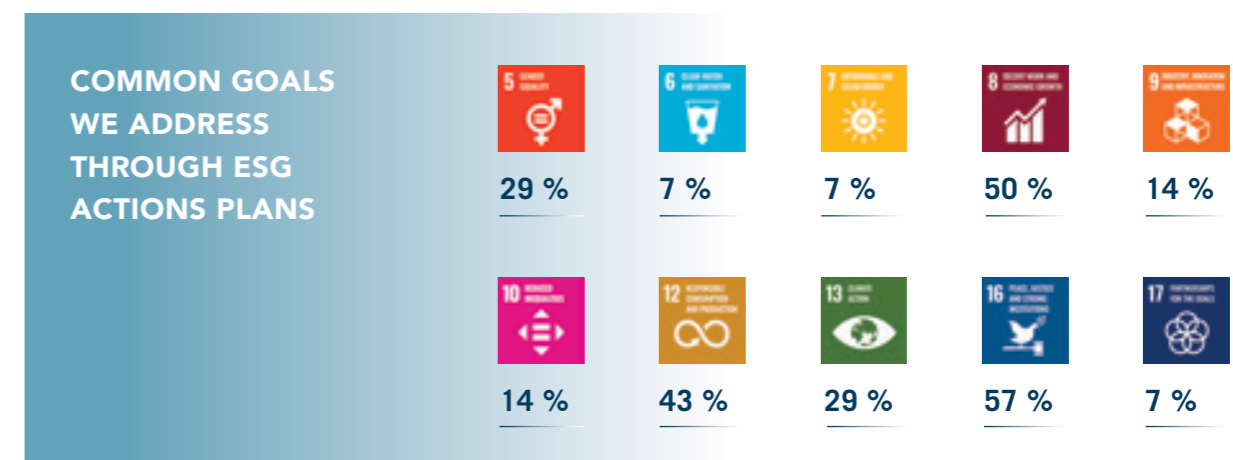
At Nazca we believe that it is essential to incorporate the SDGs to achieve sustainability at a global level and that our portfolio companies are measurably contributing towards them.

100% of our portfolio companies contribute to at least one of the UN's Sustainable Development Goals, either directly or indirectly.

The way to understand what SDGs we contribute to, either through our portfolio companies' activity and / or our best-in-class ESG approach, is the following:

- We map the contribution to the SDGs through the core activity of our portfolio companies. We direct capital to businesses that fit into our investment criteria, noting that we are not a thematic sustainability or impact fund.
- We also map the SDGs that each company contributes to, through the integration of ESG in our portfolio company's action plans.

Our recently approved protocol includes long-term strategic plans that will link each initiative to the SDGs



Our climate strategy

Climate change is spawning a host of long-term and short-term effects that affect businesses broadly and fundamentally. The World Economic Forum ranks climate risks among the top five business risks, saying “climate change is striking harder and more rapidly than many expected.” (World Economic Forum, 2020). Companies will be affected by climate change across multiple dimensions (strategic, operational, reputational, and financial amongst others), along the entire value chain, across regions, and over long periods of time. But assessing and planning for these risks — and opportunities — is challenging given the associated uncertainties.

The TCFD provides a good set of recommendations on climate change financial reporting. These recommendations are related to transition, physical and liability risks. As supporters of the TCFD since 2020, we have spent the last year implementing the recommendations within our processes and have continued setting short-term and long-term targets and KPIs aligned with the TCFD in order to measure our progress.

2022 will be a challenging year as we have committed to measure carbon footprint in 100% of the portfolio and implement emissions reduction plan in every company.



PHASE I

Governance

Raise climate awareness throughout the organization

- Completed company ESG training session.
- Define a climate-dedicated governance: it is integrated in our ESG governance structure.

Strategy

Develop a simplified implementation plan

- We have identified macro-level risks and opportunities through sector analysis, using SASB climate mapping.

Define an implementation plan

- In process: integration of material climate change considerations in our pluriannual plans.

PHASE II

Strategy

Conduct materiality analysis on current portfolio holdings to identify climate risk exposure

- Inclusion of climate risk component in pre-acquisition due diligence.
- Portfolio holdings with the highest exposure have been identified and an in-depth analysis undertaken.

Risk Management

Define key climate KPIs for each portfolio holding

- SASB KPIs have been defined for each portfolio holding.
- We use SASB climate KPIs.

PHASE III

Metrics & Targets

Support holdings with tools and recommendations to address climate risks.

- 79% of our portfolio companies measure carbon footprint and 100% will measure in 2022.
- Carbon footprint is measured in all our portfolio companies 12 months after closing at the latest.
- Climate action plans are in place in all companies that measure carbon footprint.
- By 2022, 100% of our portfolio companies will have measured their carbon footprints and have defined reduction plans.
- By then, we will be able to assess the feasibility of establishing fund-level targets.

The Iberian Peninsula is particularly affected by climate change through rising sea levels and increasingly frequent severe droughts. The European Union has categorized the Iberian Peninsula as “at risk of desertification”.

Poor water resource management practices and water scarcity will lead to an increase in competition for this resource, between population, industry, tourism and agriculture.

We have identified that 50% of our portfolio is exposed to water risk, and we actively engage with them to improve water consumption practices.

79% of our portfolio companies already measure Carbon Footprint (vs. 30% in 2019 and 56% in 2020) and are implementing reduction measures. More importantly, all of our portfolio companies acquired prior to Dec’20 are measuring carbon footprint.

Financial materiality

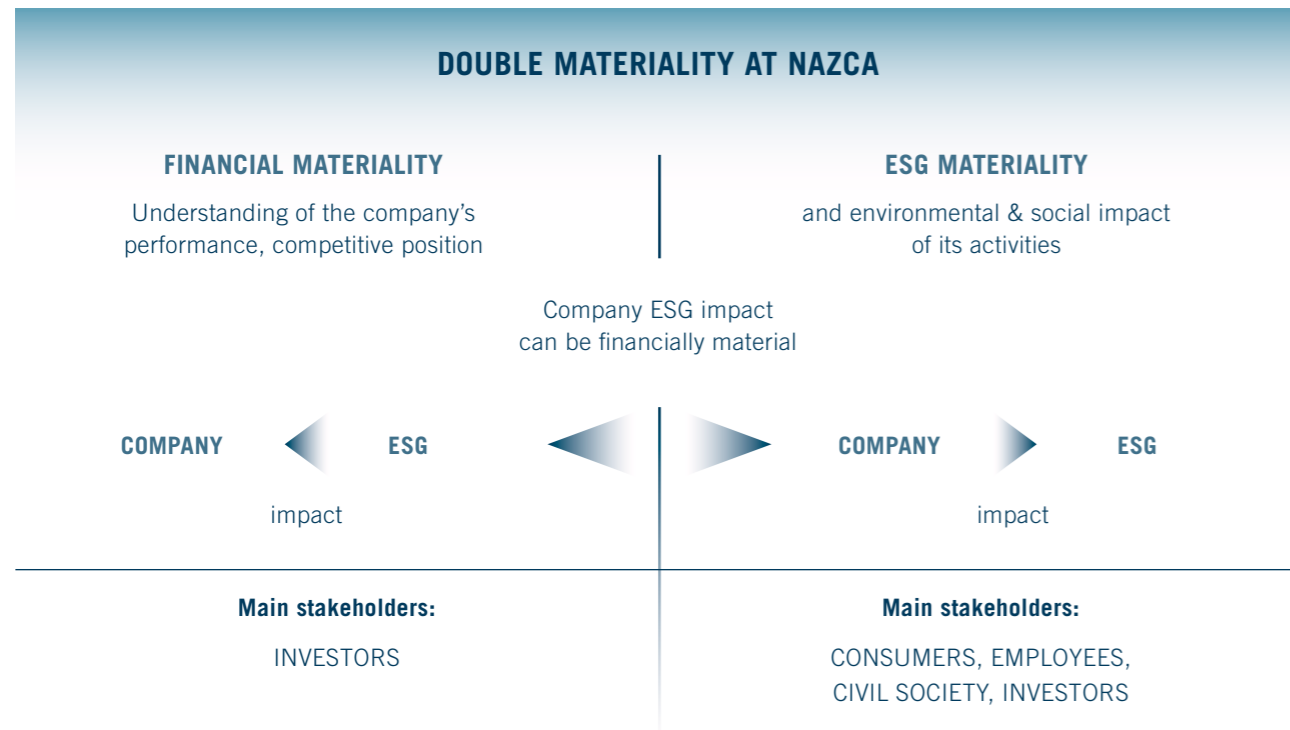
The SASB - Sustainability Accounting Standards Board - methodology provides us with the basis of our reporting based on financial materiality, allowing us to have decision-useful sustainability information. Our primary objective is to understand companies' performance on the subset of topics that are material to enterprise value creation.



We also seek to facilitate to our investors the disclosure of information that is material to inform investment decisions.

This way, not only do we generate decision-useful sustainability indicators that are used to make decisions, but we also respond to our stakeholders' information needs, issuing financially material sustainability KPIs and responding to various legislations and frameworks (SFDR, SASB and TCFD).

When adopting the financial materiality methodology, we seek to understand how and to what extent our portfolio companies' ESG progress and performance acts as a value-creation lever that we can monetise at exit



Source: European Commission, Guidelines on Reporting climate-related information, adapted by Nazca

Using SASB® methodology, we have undertaken a portfolio analysis with the following methodology:

1. SASB® sector identification of each portfolio company
2. SASB® KPI universe identification, where we present to each portfolio company a selection of financially material sustainability KPIs
3. KPI selection: each portfolio company selects at least 2 SASB® KPIs

This analysis allows us to **understand what key material sustainability themes we need to manage** as a Managing Company overall in our portfolio.

SASB INDUSTRIES IN OUR PORTFOLIO

FOOD & BEVERAGE	24 %
HEALTHCARE	18 %
INFRASTRUCTURE	12 %
SERVICES	24 %
TECHNOLOGY & COMMUNICATIONS	18 %
RESOURCE TRANSFORMATION	6 %

NAZCA'S ESG FINANCIAL MATERIAL THEMES

E	ENERGY MANAGEMENT (57%)	E	PRODUCT LIFECYCLE MANAGEMENT IMPACTS (29%)
	ENVIRONMENTAL IMPACTS (29%)		SOCIAL AND ENVIRONMENTAL IMPACTS OF THE SUPPLY CHAIN (50%)
	WATER MANAGEMENT (50%)		GREENHOUSE GAS EMISSIONS (14%)
S	HEALTH AND SAFETY OF WORKERS (29%)	S	DIVERSING OF WORKERS (29%)
	DATA SECURITY (36%)		SOURCING OF INGREDIENTS (21%)
	FOOD SECURITY (29%)		DRUG SAFETY (14%)
	PRODUCT LABELING & MARKETING (36%)		
G	BUSINESS ETHICS (43%)	G	INTELLECTUAL PROPERTY PROTECTION & COMPETITIVE BEHAVIOR (21%)

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

I

Through operating efficiencies and cost savings. Measures applied by Nazca include energy efficiency actions, optimization of hydric resources or minimization of leftovers and waste.

Illustrative SASB KPI: total energy consumed: % from grid, % from renewable sources.

CASE STUDIES

- **Phibo:** 100% energy from renewables sources.
- **One Shot:** electricity has been shifted to renewables contracts in 100% of its hotels.
- **Foodbox:** has expanded its contribution to circular economy, by recycling oil leftovers, as well as recycling food waste aimed at producing compost. The company is excellent at reducing food waste in its cooking processes.

2

Developing new products or services aligned with customers' sustainability choices such as organic products or production of recyclable or biodegradable materials and introducing eco-packaging initiatives.

Illustrative SASB KPI: Amount of: lifecycle impacts of buildings & infrastructure, climate impacts of business mix. Environmental & social impact of products.

CASE STUDIES

- **IDP:** project portfolio is mostly centered on transition to zero-carbon economy, for example project CircThread. This project's main objective is to unlock access to product data and make it accessible to all actors involved in a products' life-cycle. This will accelerate circularity and the reduction of GHG.
- **Cinelux:** has developed a LED-technology business line that for the moment accounts at 2% of revenues, growing faster than other business lines.

3

Including sustainability of the portfolio companies strategy 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.

Illustrative SASB KPI: Number of: commissioned projects certified to a third-party multi-attribute sustainability standard and active projects seeking such certification.

CASE STUDIES

- **Terratest:** has obtained ECOVADIS certification, achieving silver medal in 2021.
- **SeptoTec:** UN Global Compact signatory and has a CSR-dedicated department.

4

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.

Illustrative SASB KPI: Employee turnover--voluntary and involuntary, by worker category.

CASE STUDIES

Most of our portfolio companies have an incentive plan in place. Phibo and IDP stand out for their strong incentive plan which goes beyond the top management.

- **Phibo:** absenteeism rate reduced from 4.1% to 2% in 2021. Turnover rate reduced from 43.2% to 22.4%.
- **IDP:** has 0 rotation rate at senior level. The company believes certain rotation rate at junior level is positive for the business.

5

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 ESG Leaders.

Illustrative SASB KPI: Management Discussion of Code of Ethics governing interactions with clients, to avoid bribery and corruption.

CASE STUDIES

- New portfolio companies, **Nutris, Seprotec** and **Zunibal** have swiftly adhered to Nazca's Responsible Investment Policy and appointed an ESG Leaders.
- **Diater, Filmin** and **IDP** have implemented the compliance package in 2021.

How we integrate ESG in our investment process

Our team's variable retribution is defined by the ESG performance of our portfolio companies. This is a great motivation for Nazca's teams to be 100% committed and involved in successfully completing the portfolio companies' action plans

2) ESG PROTOCOL FOR PORTFOLIO COMPANIES

- Our greatest progress in 2021 has been the decision to immediately activate a mid and long-term ESG strategic plan post-closing. As soon as the deal is closed, the portfolio company will hire a sustainability expert to design a strategic action plan. This plan will be approved by the company in maximum 12 months and will be approved at Board level. The plan will be broken down in 3-year actions and the progress will be followed up periodically by each company's Board.

1) RESPONSIBLE INVESTMENT POLICY

- In 2021, we have updated our Responsible Investment Policy to include the SFDR requirements.
- Key updates include:
 1. Reference to the inclusion of sustainability risks and principal adverse impacts of investment decisions on sustainability factors in our investment process and periodic reports;
 2. Reference to our remuneration policy considering the performance of our employees regarding the integration of sustainability risks.
 3. Processes to gather sustainability Principal Adverse Impacts as developed in the Final Report on the draft Regulatory Technical Standards.

Starting 2022, each portfolio company will design a mid and long-term strategy, to be approved by the Board, ensuring Nazca's footprint stays beyond our holding period



As of December 2021, 100% of our new portfolio companies have adhered to our Responsible Investment Policy, appointed an ESG Leader and started to measure our ambitious set of KPIs

3) ESG MONITORING TOOL AND KPI MEASUREMENT

- Our ESG monitoring tool is now used by 100% of our portfolio companies. We have carried out a complete turnaround of our set of KPIs by including (i) core KPIs measured on a quarterly basis and (ii) financially material sustainability data.
- We are proud of these results and view our tool as powerful, as it allows us to:
 - Have decision-useful information on a periodic basis that is reviewed at Board level.
 - Track the ESG action plan and rectify when needed.

- Gather aggregated information that allows us to change our processes if needed.
- Track ESG progress throughout the years, allowing us to communicate sustainability success within the equity process when facing the exit process.
- In addition to our quarterly measurement tool, for the first year we have actioned a KPI measurement with an exhaustive and ambitious list of KPIs at year end.
- In order to ensure that management teams take this matter seriously, our evaluation of the top executive will include the progress on the sustainability long-term plan. In turn, he/she will receive training to evaluate the management team. This process will ensure full alignment between Nazca, portfolio companies' top executive, and management teams.

4) EXIT

- Part of our duty as responsible investors is to act as stewards of the companies in which we invest in. Although implementing real change in a short timeframe is challenging and often unrealistic, our exit strategy focuses on laying the foundations for the company to continue growing in that direction.
- We work with our portfolio companies aiming at fostering their growth plans during our holding period. Our typical growth plans (digitalization, geographical expansion and / or strengthening of operations) include an ambitious and profound strategic ESG plan that can exceed our holding period.
- All in all, this means that we seek to attract, whenever possible, buyers that will continue our sustainability legacy.

ESG PROTOCOL FOR PORTFOLIO COMPANIES



We will undertake an annual evaluation of all our portfolio companies' top executives, including ESG performance metrics

ESG IN THE INVESTMENT PROCESS



transactions
+5 add-ons
closed in the
last 12 months.



of the new portfolio
companies have a
Board of Directors as
managing body one
month after closing.



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

ESG Governance

OUR ESG TEAM

- We believe that ESG integration and its effective implementation requires the involvement of top management, in-house resources and governance. To this end, Nazca's ESG Committee is comprised of senior members that meet on a quarterly basis. Meetings are formalised in minutes that are then distributed to the larger team.
- 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 topics.
- The team has been reinforced in 2021 as we have welcomed two new members: Ignacio Portela (partner) and Hilario Albarracín (Industrial Advisory Board).
- The team's mission is supported on a day-to-day basis by Catalina Chalbaud, Head of Legal, as well as external advisors.

Nazca's ESG Committee is comprised of 6 senior members with stewardship role

ESG TRAINING

In 2021, we were able to hold our training in a hybrid model, with 100% of the team present. The content of the course was:

- Update on sustainability regulation
- ESG measurement: new KPI set
- Financially material sustainability KPIs
- Climate Change and the TCFD: impact on Nazca's day to day business.

The training included a practical session addressed to the investment team about how to select SASB financially material sustainability KPIs.

We highlight that Nazca has today a team that is knowledgeable about how ESG creates value at portfolio company level, proving that sustainability is one of the value levers that Nazca achieves during its holding period.

Also, when implementing our new KPI data set, we have provided training to our portfolio companies to ensure an efficient and reliable data gathering process.



Catalina Chalbaud
Head of Legal
ESG Champion

Emilio Manchón
Partner

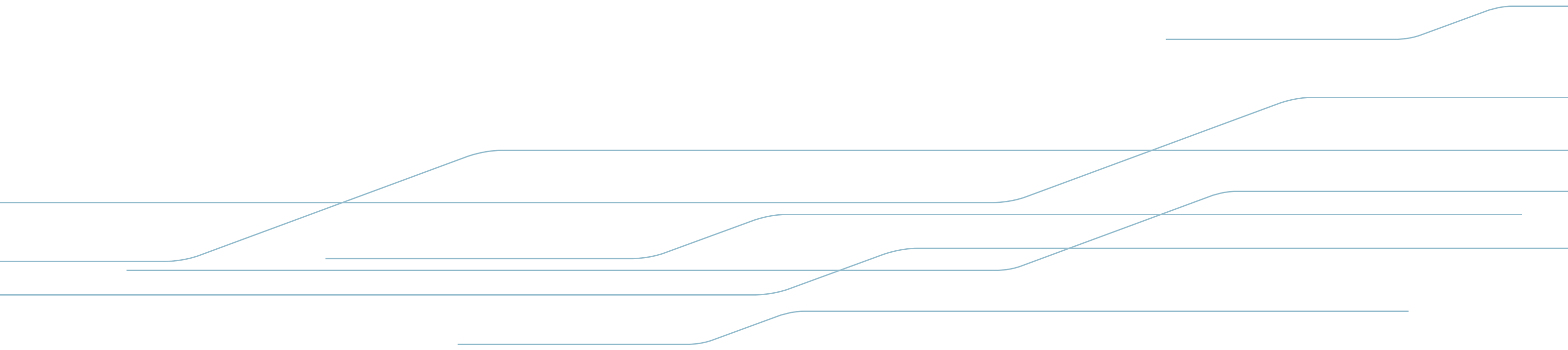
Álvaro Mariátegui
Founding Partner
CEO

Hilario Albarracín
IAB Member

Ignacio Portela
Partner

Ramón Garnica
Partner

ESG *progress and evidence*



ESG Integration Milestones

2016	2017	2018	2019	2020	2021
<ul style="list-style-type: none"> ■ 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. ■ Philanthropic initiative: collaboration with "Banco de Alimentos". 	<ul style="list-style-type: none"> ■ Formal integration of ESG criteria into Nazca's investment process. ■ ESG DDs 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. 	<ul style="list-style-type: none"> ■ 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. ■ Ramón 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". 	<ul style="list-style-type: none"> ■ 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 as permanent ESG companions. ■ 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 2018 ESG best practices guide for private equity investors. ■ Nazca starts to lead ESG actions at "Alliance for Global Growth", a global network of lower-middle market private equity firms. 	<ul style="list-style-type: none"> ■ UN PRI A rating (A+ Strategy & Governance module). ■ Nazca is included for the first time as a case study in Stafford and Aberdeen's ESG reports. ■ Nazca's ESG new Responsible Investment Policy approved together with a new ESG Protocol. ■ New ESG monitoring tool approved and pilot phase successfully achieved. ■ Nazca is finalist at ASCRI's ESG awards. ■ Case study presented at UN PRI's awards. ■ Nazca's team ESG online training in December 2020 with 100% attendance. ■ ESG Speaker at Amexcap in Nov'20. ■ Participation in the ASCRI 2019 ESG best practices guide for private equity investors. ■ Nazca begins to lead ESG actions at "Alliance for Global Growth", a global network of lower-middle market private equity firms. ■ First pilot report elaborated prior to McBath's exit. ■ First Nazca ESG awards granted to Terratest, Cinelux and Herbex. ■ Nazca becomes a TCFD supporter. ■ Improved transparency: ESG Policy and Sustainability report disclosed on the web site. 	<ul style="list-style-type: none"> ■ Project to adapt to the SFDR: Responsible Investment Policy, web page and funds classified. ■ Project to upgrade our KPIs based on SFDR and ILPA. Additional KPIs selected based on financial materiality (SASB) ■ ESG Committee reinforced with Ignacio Portela (Partner) and Hilario Albarracín (IAB). ■ Major upgrade of our ESG Protocol (long-term strategic ESG plans). ■ TCFD Roadmap approved. ■ Nazca's team ESG online training in November 2021 with 100% attendance. ■ Nazca ESG awards granted to Filmin, One Shot and Diater. ■ Carbon footprint project to measure 100% of the portfolio acquired prior to 2021. ■ Participation in forums and seminars.

How we deliver on our UN PRI Commitment

COMMITMENT	2021 COMMITMENT	PROGRESS	2022 OBJECTIVES
<p>PRINCIPLE 1</p> <p>WE WILL INCORPORATE ESG ISSUES INTO INVESTMENT ANALYSIS AND DECISION-MAKING PROCESSES</p>	<ul style="list-style-type: none"> We have undertaken a more profound due diligence on value chains, related to Climate Change, Human Rights, Data Protection and Cybersecurity. We undertake inhouse ESG report in our exits. 	<p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> Will instruct our ESG DDs to undertake specific Climate Change considerations when material. Climate consideration will include physical and transition risks. Human Rights, Data Protection and Cybersecurity will also be considered.
<p>PRINCIPLE 2</p> <p>WE WILL BE ACTIVE OWNERS AND INCORPORATE ESG ISSUES INTO OUR OWNERSHIP POLICIES AND PRACTICES.</p>	<ul style="list-style-type: none"> Our external advisors are providing strong support to our portfolio companies to define a 3-year ESG strategy, and guidance to implement it, to the extend needed. Our ESG Committee undertakes a high-level ESG Portfolio review every 6 months. We hold discussions based on a report that summarises the portfolio's progress, including an in-house ESG rating of our portfolio companies. We have undertaken quarterly ESG KPI monitoring. 69% of our portfolio now measures Carbon Footprint. 	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> Our new portfolio companies will have a long-term ESG strategic approved at Board level in the first 12 months post-closing. The ESG actions will have priority actions based on value creation, mapped with the SDGs. We will continue the gathering of quarterly ESG KPI information. We will continue advancing in the measurement of the Carbon Footprint in our portfolio, targeting 100% by end 2022. By then, all of the portfolio companies will have an emissions reduction plan in place.

<p>PRINCIPLE 3</p> <p>WE WILL SEEK APPROPRIATE DISCLOSURE ON ESG ISSUES BY THE ENTITIES IN WHICH WE INVEST</p>	<ul style="list-style-type: none"> We have gathered fund-level consistent KPIs across the portfolio. We have formalised a materiality map, communicated in this ESG report. We have published Sustainability Reports issued by our portfolio companies legally bound by this obligation on our website. 	<p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> We will continue gathering ESG KPIs, aligned with SDGs, allowing us to measure SDG outcomes. We will disclose our first Principal Adverse Impact report, according to our commitments and regulatory requirements.
<p>PRINCIPLE 4</p> <p>WE WILL PROMOTE ACCEPTANCE AND IMPLEMENTATION OF THE PRINCIPLES WITHIN THE INVESTMENT INDUSTRY</p>	<ul style="list-style-type: none"> We have participated in industrywide events that engage investors on ESG Issues. We have applied to ASCRI's prize for best ESG private equity firm. Even though we did not win, this exercise is very useful and motivating for the team. We are not discouraged and will apply for the prize in 2022. We have pursued our training efforts, with our training taking place in Nov'21. 	<p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> We will enhance our participation in industrywide events that engage investors on ESG issues. We will apply again to ASCRI's prize for best ESG private equity firm. We will follow-up our ESG training efforts.
<p>PRINCIPLE 5</p> <p>WE WILL WORK TOGETHER TO ENHANCE OUR EFFECTIVENESS IN IMPLEMENTING THE PRINCIPLES</p>	<ul style="list-style-type: none"> We have contributed to different forums and debates, explaining our progress and our angle to support responsible investment as much as we do. 	<p>✓</p>	<ul style="list-style-type: none"> We will continue sharing our experience and best practices with industry peers, and members of ASCRI.
<p>PRINCIPLE 6</p> <p>WE WILL EACH REPORT ON OUR ACTIVITIES AND PROGRESS TOWARDS IMPLEMENTING THE PRINCIPLES</p>	<ul style="list-style-type: none"> We have reported our activities and progress to our LPs as well as UN PRI. We hold periodical conversations with our LPs, who take the time to provide us feedback on our communication. We now comply with the SFDR and have classified our funds as Article 6. 	<p>✓</p> <p>✓</p> <p>✓</p>	<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 classify Fund VI and existing funds as Article 8.

Nazca ESG prizes

- In December 2020, Nazca decided to recognize for the first time those portfolio companies that have stood out from an ESG perspective. Therefore, the Nazca prize seeks to engage the portfolio companies' teams, highlight those that apply best practices, motivate the ESG Champions and finally share best practices with the rest of the portfolio.
- Nazca has recognized three companies in 2021 and their ESG champions for going beyond what is required from them: One Shot Hotels, Diater, and Filmin.

- We would like to recognize that SMEs have stressed resources and the "ESG Leader" role is usually part-time, their role being usually Head of Legal or Human Resources. As a result, the ESG Leaders have to get out of their comfort zone, learn new skills and embed this activity together with their usual role. Congratulations for your outstanding work.



BEST ESG INITIATIVE



“The incorporation of Nazca as a shareholder completely changed our mindset, placing sustainability at the core of our strategy as a company. The existence and definition of an ESG Plan guarantees, at all times, compliance with the objectives set: to minimize the impact of our activity on future generations”

Maria José Aguirregoitia
ONE SHOT ESG LEADER

BEST ESG ACTION PLAN



“Diater, operating in the Spanish pharmaceutical sector, has been aware in recent years of the need to adapt to an emerging reality on ESG practices, making these principles inherent to its value proposition as a company committed to sustainability. It is a great revolution that our management has approached with a firm step and, at the same time, with the necessary flexibility and resources that these changes require. Diater has a team that is tremendously involved and motivated with the objectives and future challenges in which the company is involved”

Nora Garcia Portillo
DIATER ESG LEADER

BEST “NEW PORTFOLIO COMPANY 2021”



“At Filmin we strive daily to maintain our commitment to sustainability. We support climate change awareness to the general public with different collections of our films. We organize them by theme and give voice to “Teachers for the future” in different meetings in our Atlantida festival, to raise awareness among students. We are committed to simple practices such as recycling paper, to the elimination of plastics in the office and the use of LED bulbs in an integral way”

Pilar Heredia
FILMIN ESG LEADER

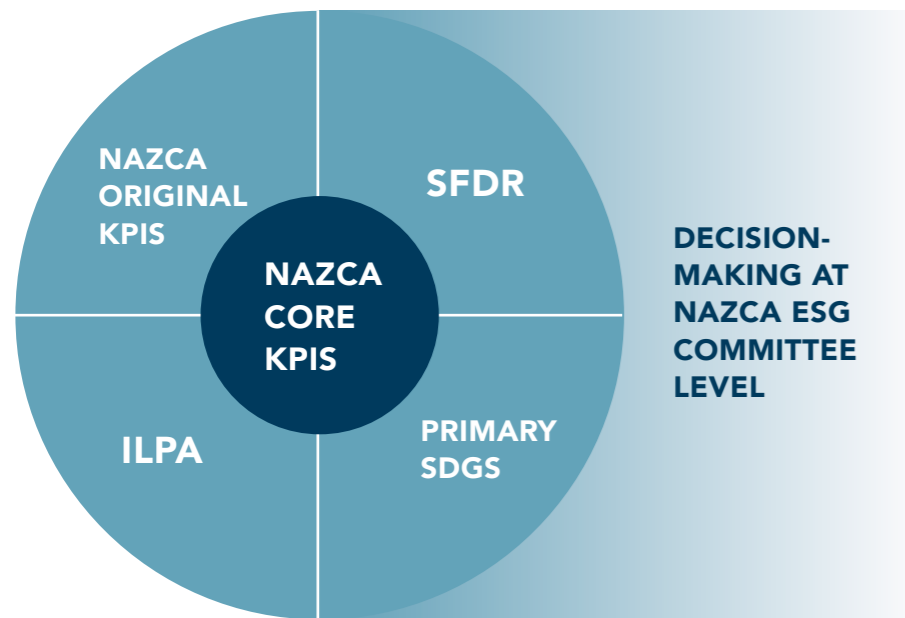
ESG Key Indicators

HOW DO WE SET OUR KPIS?

We use a variety of complementary methodologies that are useful in different ways, for different stakeholders. Our methodology is described in the chart below.

2019 was the first year our portfolio companies gathered a set of ESG KPIS. In these past two years we have made a huge progress by evolving our methodology and reporting a more ambitious KPI set.

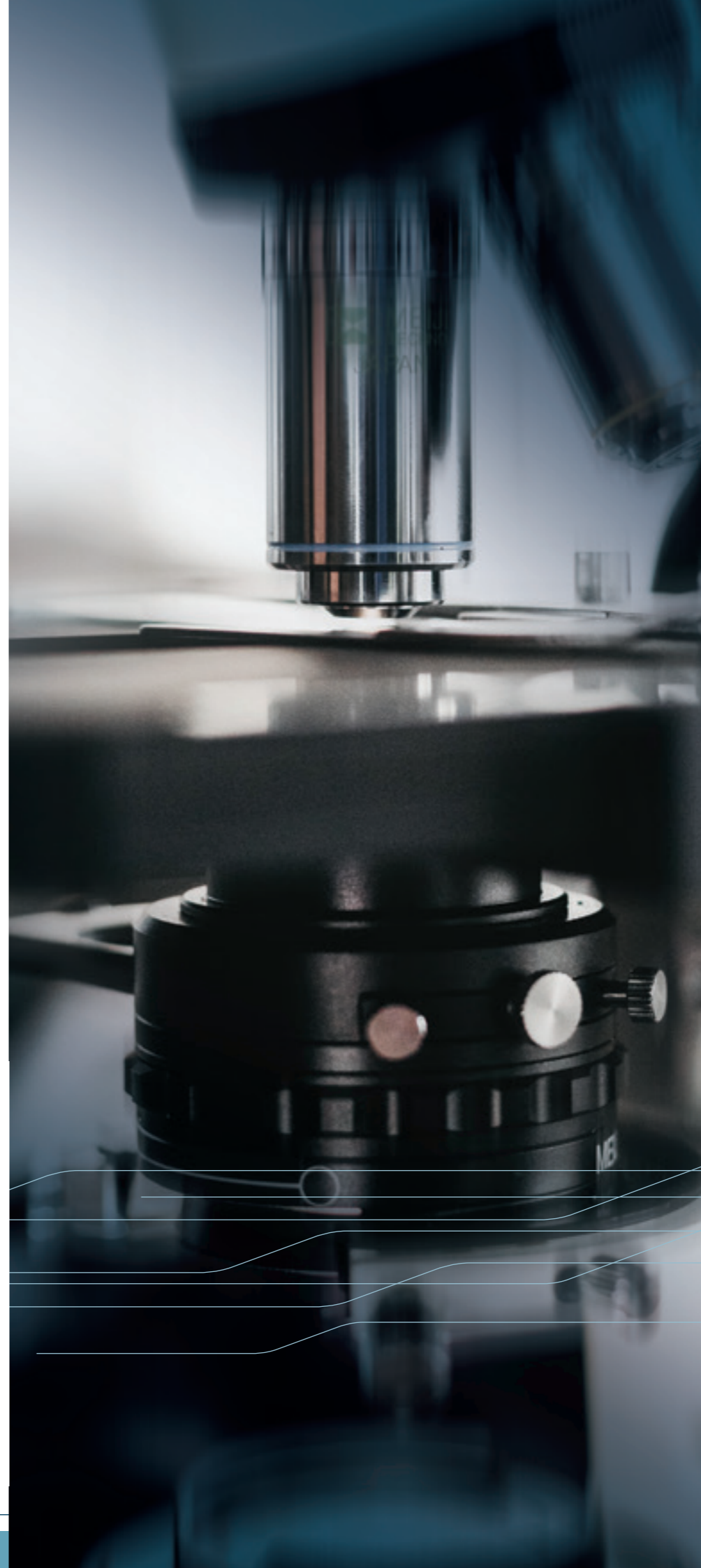
CORE KPIS



COMPANY-SPECIFIC KPIS



NAZCA REPORTING TO LPS AND STAKEHOLDERS



SINCE NAZCA'S ENTRY,
OUT OF THE 14 PORTFOLIO
COMPANIES:

- 57% have shifted all or part of electricity consumption to renewable sources.
- 71% have approved and implemented an environmental policy.

- 64% have implemented or started to implement an Equality Plan.
- 57% calculate or are in process of calculating gender pay gap.

- 57% have a criminal compliance package in place.
- 50% have approved and implemented a responsible supply chain policy.

FUND III

FOODBOX

- _ Compliance package in place
- _ Equality Plan in place
- _ Electricity from renewable sources
- _ Food waste management program

DIATER

- _ Compliance package in place
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan underway

PHIBO

- _ Compliance package in place
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan underway
- _ Electricity from renewable sources (PV panels)
- _ Enhanced Health & Safety measures
- _ Social action plan

SEPROTEC

- _ Compliance package expected in 2022
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan expected in 2022
- _ Adherence to Nazca's Responsible Investment Policy
- _ ESG Responsible appointed
- _ UN Global Compact Signatory

FILMIN

- _ Compliance package in place
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan expected in 2022
- _ Cybersecurity policy updated

FUND IV

TERRATEST

- _ Compliance package progressively extended outside Spain
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan in place
- _ ECOVADIS certification

ONE SHOT

- _ Compliance package expected in 2022
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Environmental strategy: plastic-free amenities
- _ Social actions aimed at preserving employment in Covid-19 pandemic

LABORATORIOS ALMOND

- _ Compliance package expected in 2022
- _ Carbon footprint expected in 2022
- _ Equality Plan expected in 2022
- _ Photovoltaic self-consumption installation
- _ ESG supply chain due diligence on Human Rights

IDP

- _ Compliance package underway
- _ Carbon footprint measurement
- _ Carbon reduction plan in place
- _ Equality Plan underway
- _ ESG integrated in companies' strategy: sustainability-based engineering and innovation projects
- _ UN Global Compact Signatory

HERBEX

- _ Compliance package in place
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Equality Plan in place
- _ Human Rights Policy in Spain and in process in Morocco

ZUNIBAL

- _ Compliance package expected in 2022
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Adherence to Nazca's Responsible Investment Policy
- _ ESG Responsible appointed

FUND V

CINELUX*

- _ Compliance package in place
- _ Carbon footprint measured
- _ Carbon reduction plan in place
- _ Environmental policy approved
- _ New services aligned with sustainability

*Exit in February 2022

NUTRIS

- _ Compliance package expected in 2022
- _ Equality Plan expected in 2022
- _ Adherence to Nazca's Responsible Investment Policy
- _ ESG Responsible appointed
- _ ESG KPIs measured

EUROCEBOLLAS

- _ Compliance package expected in 2022
- _ Carbon footprint measurement
- _ Carbon reduction plan in place
- _ Equality Plan in place with 72 actions detected
- _ Recycling plan (3Rs) in place

Environmental

- We are proud to prove that we have delivered a clear progress in carbon footprint measurement, starting in 2019, at a time where no player in the Spanish market measured their emissions. Currently, 79% of our portfolio measures carbon footprint.
- All of our portfolio companies that calculate emissions have a carbon reduction plan in place. In 2022, 100% of our portfolio companies will have a reduction plan in place.

% PORTFOLIO THAT MEASURES CARBON FOOTPRINT

2021 : 79 %



2020 : 56 %



2019 : 30 %



AVERAGE RENEWABLE ENERGY

2021 : 32 %



2020 : 25 %



- A key part of the carbon reduction plans is the shift towards renewable energy: 57% of our portfolio companies have renewable energy sources (either a guaranteed renewable provider or owned photovoltaic panels), and the average mix in our portfolio is of 32% renewable energy.

% PORTFOLIO USING RENEWABLE SOURCES

2021 : 57 %



2020 : 50 %



% PORTFOLIO WITH ENVIRONMENTAL POLICY

2021 : 71 %



2020 : 56 %



2019 : 40 %



4 TOP EMISSIONS BY COMPANY (TCO2EQ / RELATIVE EMISSIONS)

COMPANY	tCO2eq (SCOPE 1 AND 2)	RELATIVE EMISSIONS (tCO2eq REVENUES)	EMISSIONS PLAN REDUCTION IN PLACE
TERRATEST	11,775	0.0566	YES
HERBEX	3,457	0.0645	YES
EUROCEBOLLAS	1,769	0.0621	YES
ONE SHOT	404	0.1128	YES

OTHER MATERIAL ENVIRONMENTAL TOPICS

WATER MANAGEMENT

- 50% of our portfolio has water management as a financially material theme.
- At Nazca, we are developing a water management strategy that will follow the same rigorous approach as we are doing with emissions.

Step 1

Improving water measurement, together with emissions to water. This year, only 1 company was able to provide us with water management information.

Step 2

When material, design a water management plan for each company and include it in the ESG action plan.

Step 3

When material, review water KPIs at Board level at least once a year.

50% of our portfolio has water management as a financially-material theme, which is an indication that we have to take this matter seriously

HAZARDOUS WASTE

- 64% of our portfolio companies generate hazardous waste.
- 100% of our portfolio companies comply with the hazardous waste regulation.

Social

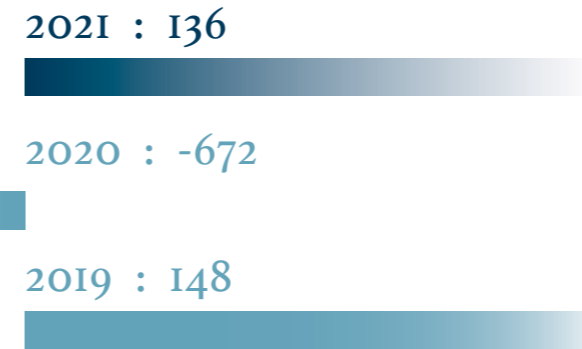
THE KEY THEMES THAT WE HAVE DEVELOPED IN 2021 ARE:

- **Job preservation** in a post-Covid environment, still very impacted by the pandemic, specially during first half 2021, as Spain suffered severe mobility restrictions;
- **Equality legislation compliance.** The Spanish regulation came in force on March 7th 2021 for companies over 50 employees. This regulation applies to most of our portfolio, and they are in the process or have already registered the Equality Plans. In addition, all of these companies have to calculate the salary gender gap. 2021 is the first year we have calculated the ratio of women in management positions, which is 31%. In 2022, all of our portfolio companies will have an Equality Plan, even when not compulsory by law.
- **Health and Safety.** We have successfully reduced our average accident frequency rate. Terratest, for example, has a 0 accident policy, which is quite unusual in the construction sector. H&S KPIs are reviewed at Board level on a regular basis.
- **Alignment of interests.** Our percentage of portfolio companies with alignment of interests has decreased this year due to the incorporation of 3 new portfolio companies and the exit of Caiba and Juan Luna.

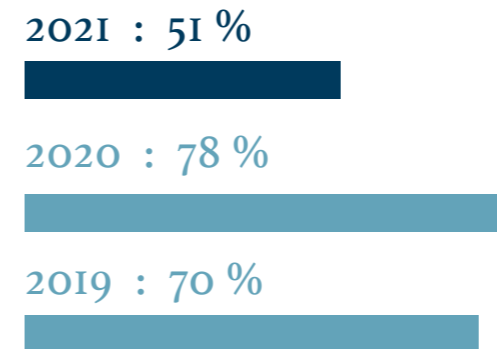
None of our portfolio companies have suffered a violation of UN Global Compact or OCDE Multinational directives. Having said this, only Seprotec is adhered to UN Global Compact.

None of our portfolio companies are exposed to the manufacturing or distribution of controversial weapon.

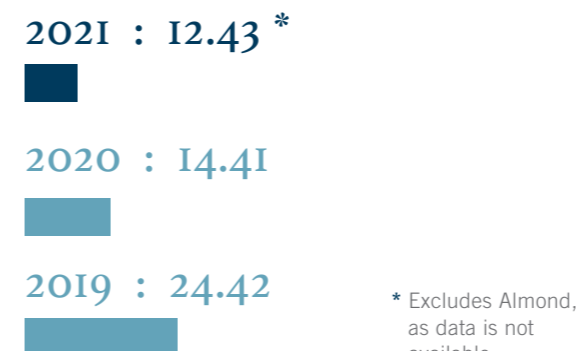
JOB CREATION (EXCLUDES 2021 ACQUISITIONS)



% PORTFOLIO WITH ALIGNMENT OF INTERESTS



AVERAGE ACCIDENT FREQUENCY RATE*

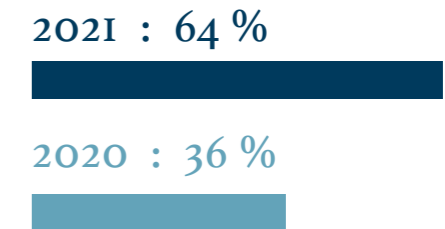


* Excludes Almond, as data is not available

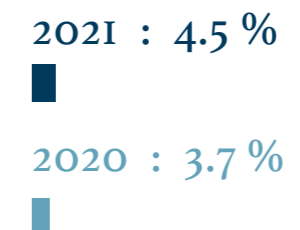
WOMEN IN MANAGEMENT POSITIONS



% PORTFOLIO THAT HAS AN EQUALITY PLAN



% ABSENTEEISM RATE



Governance

KEY PROGRESS IN 2021 REGARDING GOVERNANCE ISSUES IS FOCUSED ON:

- Enhancing gender diversity at Board level remains a challenge in Private Equity. 64% of our portfolio companies have at least one woman as board member, however we acknowledge that average diversity at board level remains low, at 16%.

- We also continue including independent members at Board level, with now 86% of our portfolio companies having at least one independent member. The average independent members in the portfolio is of 17%, which we view as reasonable in the mid-market space.
- We have made great progress in the adoption of criminal compliance packages. End 2021, 57% of our portfolio has initiated or completed a compliance package, which, in our experience, takes from 18 to 24 months to complete.

% PORTFOLIO WITH BOARD DIVERSITY

2021 : 64 %



2020 : 22 %



2019 : 30 %



% PORTFOLIO WITH INDEPENDENCE AT BOARD LEVEL

2021 : 86 %



2020 : 44 %



2019 : 22 %



% PORTFOLIO WITH COMPLIANCE IN PLACE

2021 : 57 %



2020 : 29 %



% PORTFOLIO WITH SUPPLY CHAIN POLICY

2021 : 50 %



2020 : 43 %



Portfolio overview

FOOD BOX

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 (Spain)
- HEADCOUNT
179
- INVESTMENT DATE
April 2015
- WEBSITE
www.foodbox.es
- ESG LEADER
Angel Mir



SOCIAL INCLUSION ALIGNED WITH THE SDGs

Foodbox has joined in July 2021 the Prodis Foundation to promote the inclusion of young people with special needs.

This initiative is included in Foodbox's CSR Plan and aims to promote inclusive and sustainable economic growth (SDG 8) and reduce inequalities (SDG 10).

SUCCESS

The agreement provides for internships and hiring in offices and establishments of the students of the Training Course for the Labor Inclusion of Young People with special needs promoted by PRODIS together with the Autonomous University of Madrid.

ELECTRICITY FROM RENEWABLE SOURCES

Foodbox changed its energy provider to a renewable energy one. This allows the company's electricity to emit zero Scope 2 emissions.

This is considered best practice in the sector and is the first step towards achieving sustainability goals related to the environment and climate change.

SUCCESS

100% electricity from renewable sources.

FOOD WASTE

Santagloria Coffee & Bakery promotes the use of surplus food from all its establishments, to lower the food waste. The alliance between Santagloria and Too Good to Go began in January 2019 and has already saved over 54,500 food packs and saved the emission of more than 136,000 kilos of CO2eq.

Every day, app users can purchase surprise packs with surplus products from €3.50.

In this way, Santagloria reaffirms its commitment to sustainability and the use of resources by giving a second chance to food surpluses and reducing waste and residues in its establishments, thus contributing to the achievement of the UN Sustainable Development Goals, in this case SDG 12.3, which establishes the challenge of reducing food waste by half by 2030.

SUCCESS

Santagloria has prevented the waste of 54 tons of food with the Too Good To Go app.

SASB KPIs

- **Energy management:**
 - Percentage grid electricity: 100%
 - Percentage renewable: 100%
- **Labor practices:** turnover rate: 57%

Secondary SDGs	5	10	12	16
TARGET	5.5	10.2	12.2 12.3 12.5	16.5

PHIBO

Phibo is the leading Spanish multinational company in the niche market of CAD-CAM designed dental prosthesis, dental implants and aesthetic components. 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 led the digital transformation of the prosthetic lab industry, pioneering the use of CAD-CAM technology for the production of prosthesis.

- HEADQUARTERS **Sentmenat (Barcelona)**
- HEADCOUNT **242**
- INVESTMENT DATE **June 2018**
- WEBSITE **www.phibo.com**
- ESG LEADER **Marta Amat**



SOCIAL ACTION PLAN IN 2021

Phibo's ESG plan has focused on two main areas: complying with diversity regulation and improving employees' health and well-being.

The Equality Plan has found initially some difficulties to adapt to the challenging Spanish diversity regulation. The equality commission has been established and the salary analysis undertaken. The plan is expected to be registered early 2022.

Regarding health prevention and well-being, the company has improved processes and has updated the emergency procedures. Progress is followed-up by the Health & Safety commission.

Finally, the company remains very active in its commitments with social causes. As a result, Phibo is positioned as a sustainable and socially responsible brand.

SUCCESS

- Rotation rate reduced from 43% to 22% in 2021.
- Absenteeism rate reduced from 4.1% to 2.0% in 2021.

Primary SDGs

TARGET



3.4



9.5

Secondary SDGs

TARGET



7.2



8.5



10.2

OPERATING WITH RENEWABLE ENERGIES

Phibo has begun its journey to becoming more energy efficient.

The company is in the process of installing photovoltaic panels aiming to become 100% self-sufficient. The company's five production plants in Sentmenat (2 - Barcelona), Alcobendas (Madrid), Ourense (Galicia) and Bogotá (Colombia) are powered by renewable energy.

Phibo has also calculated its Scope 1 and Scope 2 Carbon footprint which from now on will be repeated every year.

SUCCESS

- 100% renewable energy from guaranteed origin (from 59% in p.y.).
- Total CO2 emissions: 224 tCO2 eq
- 0.0106 carbon intensity (tCO2 eq / revenues)
- Emissions reduction plan
- Climate change awareness

SASB KPIs

Product Safety:

- Number of recalls issued, total units recalled; 0
- Number of fatalities related to products 0
- Number of enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type.

- **Product Design & Lifecycle Management:** total amount of products reused, recycled or donated: 98.8%

- **Business Ethics:** total amount of monetary losses as a result of legal proceedings associated with bribery or corruption: 0 €

HERBEX

Founded in 1985, Herbex is the leading producer and distributor of fresh aromatic herbs in Europe based on 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 (Spain)
- HEADCOUNT
6,672 (including external workers)
- INVESTMENT DATE
June 2018
- WEBSITE
www.grupoherbex.com
- ESG LEADER
Alba Balaguer



R&D

Herbex has advanced with R&D efforts which helps the company find more innovative solutions to everyday challenges. Therefore, the company has launched Greendomo, a vertical farming project in collaboration with Fundación Tecnova. This project seeks to optimize the use of essential resources such as light, water, and temperatures and to be able to produce in urban areas. The company's R&D team is working with Fundación Tecnova for the implementation of the system.

SUCCESS

- **Herbex Trial Farm:** setting up of an experimental farm in Agadir to optimize irrigation and fertilization of our crops.

ENVIRONMENTAL COMMITMENT

Herbex has measured its Carbon Footprint since 2018 and has managed to stabilise the company's emissions from 2020 to 2021.

SUCCESS

Carbon intensity stabilized at 0.064 tCO2eq in 2020-2021.

Primary SDGs

TARGET



2.4

Secondary SDGs

TARGET



5.5



12.3



13.2



16.5

HUMAN RIGHTS

Ensuring the respect of human rights is crucial for a company with Herbex's business model. Its international activity in countries such as Morocco and Senegal make it more vulnerable to potential human rights violations in its supply chain.

For this reason, Herbex has already implemented its Code of Ethics and Human Rights Policy in Spain and is currently in the process of doing the same for Morocco. The company considers it is crucial to adapt its Code of Ethics and Human Rights Policy to the reality of each country it collaborates with and to actively engage with stakeholders and local partners to generate a positive impact through its core activities.

SUCCESS

Implementation of Herbex's Code of Ethics and Human Rights Policy in Spain.

SABS KPIs

- **GHG emissions:**
 - **Scope 1:** 1,335 tCO2eq
 - **Scope 2:** 2,122 tCO2eq
- **Energy Management:** operational energy consumed: 4,603,485 kwh
- **Food safety:** number of recalls issued; total amount of food product recalled: 0
- **Workforce H&S:** total accident frequency rate: 26.1.

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 (Spain)
- HEADCOUNT
1,420
- INVESTMENT DATE
December 2018
- WEBSITE
www.terratest.com
- ESG LEADER
Maria del Puy Mas



CARBON FOOTPRINT REDUCTION

Terratest started to calculate its carbon footprint back in 2018, establishing an emissions reduction plan. In 2021, the company established an ambitious plan to continue reducing emissions, and contributing to more sustainable processes.

This year's action plan had an ambitious plan focused on fighting pollution and climate change (eg. Renovation of machinery fleet), on reducing emissions to water, and reducing land contamination.

SUCCESS

- 27% carbon footprint reduction, comparing 2018 vs. 2020.
- Scope 2 emissions reduced by 20% since 2018.
- Carbon intensity under control, at 0.0566 tCO2eq / € in 2021, compared with 0.0515 tCO2eq / € in previous year.

ECOVADIS CERTIFICATION

In 2021, Terratest has obtained the ECOVADIS label, obtaining Silver Medal.

The score was as followed:

- 54 / 100 overall score
- 60 / 100 environmental score
- 50 / 100 labor & human rights score
- 60 / 100 ethics score
- 50 / 100 sustainable procurement score

This result is being consulted by Terratest's stakeholders, highlighting the interest it has sparked amongst its capital providers, for instance, its lenders.

SUCCESS

ECOVADIS Silver Medal

SABS KPIs

- **Environmental Impacts of Project Development:** Number of incidents of non-compliance with environmental permits, standards, and regulations: 7 non-conformities in the ISO 14001 renovation, all of them 100% successfully closed.
- **Business Ethics:** total amount of monetary losses as a result of legal proceedings associated with charges of bribery or corruption and anticompetitive practices: 0 €

Secondary SDGs

TARGET



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 provide 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 (Spain)
- HEADCOUNT
106
- INVESTMENT DATE
July 2019
- WEBSITE
www.diater.com
- ESG LEADER
Nora García Portillo



SUSTAINABLE SUPPLY CHAIN

Diater follows the GMP (Good Manufacturing Practice) guidelines, which describes the minimum standard that a medicines manufacturer must meet in their production processes. The Spanish Agency of Medicines and Medical Devices (AEMPS) coordinates inspections to verify compliance with these standards, and Diater successfully passes these inspections. Diater has to trace ingredients it uses in its products, hence has a strong supply chain control.

REGULATORY COMPLIANCE

The pharmaceutical industry is under stringent regulatory scrutiny, and Diater is subject to the Spanish Medicine Agency as well as Farmaindustria vigilance. In addition, Diater holds sensitive patient details that it must manage carefully, complying with data protection regulation.

As a result the company has reinforced its regulatory function in 2021, including reinforcing its corporate compliance as well as its data protection practices.

DIVERSITY

A new diversity law applies in Spain since March 7 th 2021 that makes all companies above 50 employees approve an Equality Plan. Diater has complied with this legislation, taking the first steps:

- Appointment of an external diversity advisor
- Internal diversity team appointed as well as negotiation commission
- A representative of the unions has been designated

The second part of the Equality Plan will be finalized in 2022, leading to its official registry.

ACCESS TO MEDICINES

Diater is specialized in allergic diseases, offering physicians in Spain a wide range of diagnosis and treatment products to significantly improve the quality of life of patients with allergies. The company has a network of distributors that allows its treatments to reach other countries (Kuwait, Lebanon, Greece and some Latin American countries).

Diater contributes directly to SDG 3, target 3.4.

SUCCESS

- 10% of allergy patients in Spain are treated with Diater's solutions.

SASB KPIs

- **Business Ethics** (Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery): 0€

Primary SDGs



TARGET **3.4**

Secondary SDGs



TARGET **5.5** **9.5** **16.5**
16.6

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.

- HEADQUARTERS
Madrid
- HEADCOUNT
46
- INVESTMENT DATE
July 2019
- WEBSITE
www.cinelux.es
- ESG LEADER
Fernando Yangüela



CLIMATE STRATEGY

Cinelux has elaborated a climate strategy adapted to its business and scale. It has elaborated a simple strategy based on an environmental policy that lays out good environmental practices to be followed by the company. The company does not present a significant climate risk from a financial materiality perspective.

However, upon Nazca's request, it has started to calculate the Carbon footprint in 2020.

SUCCESS

- Total CO2 emissions: 110 t CO 2 eq (2020)
- tCOeq reduction Scope 1 by 16% (19/20)
- Emissions reduction plan
- Climate change awareness

NEW SERVICES ALIGNED WITH SUSTAINABILITY

In 2020, Cinelux started a pilot project to offer LED-based services to its clients. This opportunity was identified at the due diligence phase, as a main ESG opportunity. The ESG DD identified a key trend, as LED technology contributes to energy efficiency and reduction in client's electricity expenditure, which is attractive for Cinelux' client base from a financial and environmental perspective.

SUCCESS

- 2% revenues coming from LED business, growing from 0.45% in previous year.

SASB KPIs

- **Professional Integrity (total amount of monetary losses as a result of legal proceedings associated with professional integrity): € 0.**

Primary SDGs



TARGET

7.3

Secondary SDGs



TARGET

5.5

8.5

16.5

ONE SHOT

Founded in 2013, One Shot Hotels is the third independent hotel chain in Spain with 11 urban hotels within the lifestyle niche. One Shot Hotels are present in the main Spanish cities, in emblematic buildings located in prime areas (4 Madrid, 3 Valencia, 1 Seville, 1 San Sebastian, 1 Porto and two opening in London and Barcelona). Nazca's goal is to boost its growth in the main cities of Spain and Portugal.

- HEADQUARTERS **Madrid**
- HEADCOUNT **89**
- INVESTMENT DATE **December 2019**
- WEBSITE **www.oneshot-hotels.com**
- ESG LEADER **Maria José Aguirregoitia**



SOCIAL COMMITMENT

Last year we reported One Shot's support to employees during the Covid-19 crisis and its consequences.

In 2021, the personnel was maintained despite the very low reservations booked throughout the year. As of end 2021, c.100% of former employees were working again, with pre-Covid conditions.

There has been no employee base reduction. In fact, the average employee base has increased from 71 to 78 employees.

SUCCESS

- 18 FTE new hires 2021.

Secondary SDGs

TARGET



8.5 12.2 13.3

ENVIRONMENTAL STRATEGY

Since Nazca's acquisition of One Shot Hotels, the company has advanced in its sustainability journey. One Shot has implemented numerous environmental initiatives to this end.

In 2021, the company has continued to demonstrate its environmental commitment.

The budget for carbon footprint measurement has been approved and emissions have been calculated for 2020. Regarding emissions reduction, since May 2021, One Shot has switched electricity providers in all its hotels to one that guarantees a renewable energy source to maximize energy efficiency and reduce emissions.

Other environmental actions include part of the amenities replaced with multi-use dispensers thus avoiding the excessive consumption of plastic.

SUCCESS

- Carbon footprint measured for the first time in respect of 2020
- Carbon footprint (2020): 404tCO2eq
- Carbon intensity (2020): 0.1128 tCO2eq / €
- Tabakalera ISO 14001 renewed

SASB KPIs

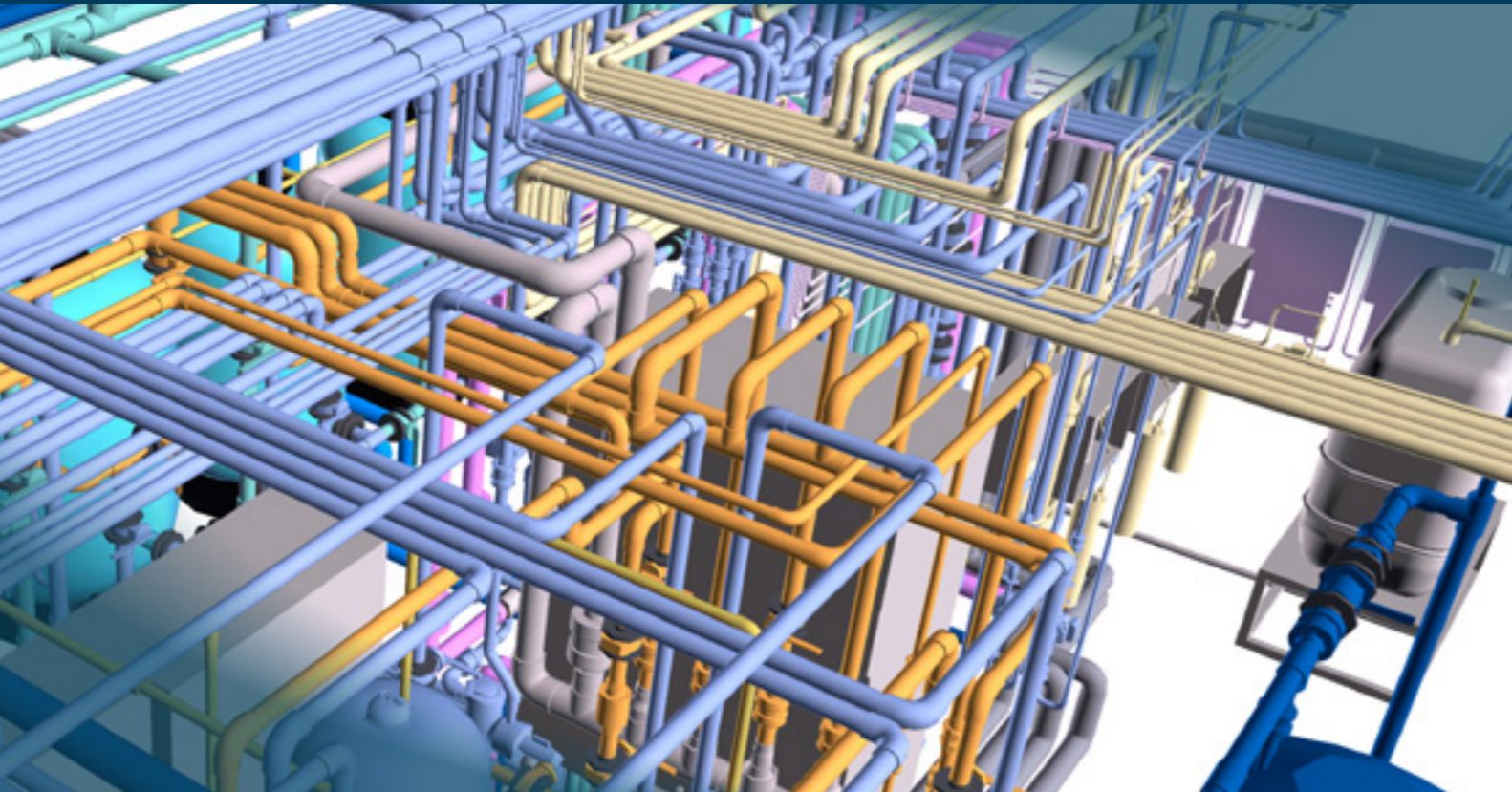
Energy Management: operational energy consumed: 1,950,073 kwh

Labor practices: Voluntary and involuntary turnover rate for lodging facility employees: 65%

IDP

IDP Group is a global, multisectoral technical service company, founded in 1998, which specializes in providing engineering services based on BIM methodology. The company has extensive national and international experience in the industrial, logistics, non-residential construction, retail, environmental, and infrastructure sectors. The company develops projects in 51 countries in 4 continents. In 2022, the company has continued its expansion with the acquisition of Eointegral, leading engineering company in the energy sector.

- HEADQUARTERS
Barcelona (Spain)
- HEADCOUNT
214
- INVESTMENT DATE
July 2020
- WEBSITE
www.idp.es
- ESG LEADER
Daniel Obiol



DIGITAL TRANSFORMATION & INNOVATION

IDP continues to be a pioneer in the market for its digital transformation solutions. The company's core business model based on BIM processes accelerates asset digitalization which is increasingly turned to as a solution to meet the global challenges of sustainability and operating efficiency.

IDP has already implemented 200 Digital Twins for their clients thus facilitating maintenance and operation and the ability to monitor sustainability objective by pursuing reductions in energy consumption and minimizing CO2 emissions.

SUCCESS

IDP was awarded the basic project, executive and optional management of the conditioning works of the new **Digital Innovation Center of the Community of Madrid (Digitaliza Madrid)**.

RESEARCH & DEVELOPMENT

IDP has continued to consolidate its positions as a leader in R&D through the participation in multistakeholder projects. In 2021, IDP has joined forces with the European Union and other important actors in multiple projects aimed at finding solutions to global sustainability challenges.

SUCCESS

- SCENARIOS Project (EU funded) aimed at contributed to the EU Green Deal objective of “zero pollution and a toxics-free environment”.
- Hypergrid Project (EU funded) for the development of cost-effective, replicable, and scalable technical solutions to enable technological integrations based on renewable energy sources.
- CircThread Project (EU Funded) for accelerating circularity and reducing CO2 emissions.

ESG INTEGRATED IN THE COMPANY'S STRATEGY

At IDP, ESG is integrated in the company's strategy. The company has strong ESG values actively promoted by top management. Its very own business based on BIM technology achieves great efficiency in infrastructure design and planning. Also, most of its projects are sustainability focused.

IDP has an Ethical Code, Equality Policy, Harassment Protocol, and an Environmental Policy approved by the Board of Directors. In addition, the company is adhered to UN Global Compact.

SUCCESS

- In 2021, the company has successfully implemented its Criminal Compliance package.
- The company has an emissions reduction plan in place, with significant reductions since 2019.

SASB KPIs

- **Workforce Health and Safety:** total accident frequency rate: 0.0 work-related fatality in 2021.

Primary SDGs	6	7	9	11
TARGET	6.3	7.1	9.1	11.6
Secondary SDGs	8	16		
TARGET	8.3	16.3		

EUROCEBOLLAS

Eurocebollas is an onion processing company that delivers quality and cost saving solutions to Food Manufactures, QSR's, Food Service Operators and Retailers worldwide through their innovative Ready to Use (RTU) onion range. The company is at the forefront of the onion processing market with a production of over 30.000 tons per year, more than 1,000 clients and exports to over 50 countries around the world. It operates under the highest standards of quality, food safety and sustainability. Eurocebollas generates a strong social impact through the predominant employment of people with disabilities in its production.

- HEADQUARTERS **Alzira (Valencia, Spain)**
- HEADCOUNT **186**
- INVESTMENT DATE **December 2020**
- WEBSITE **www.eurocebollas.com**
- ESG LEADER **Cristina Medina**



ENVIRONMENTAL PRACTICES

Eurocebollas has a well-implemented rule of the 3 Rs which stand for Reduce, Reuse, and Recycle. Being part of the agricultural sector, which is a sector typically with high levels of waste, this is considered best practice.

In addition, the company has taken actions to reduce its carbon intensity.

SUCCESS

- 90% of the carton, plastic and metals recycled
- 66% clean energy consumed
- 16% carbon intensity reduction

TALENT RETENTION

The agriculture sector faces a clear challenge when attracting and retaining talent.

Workforce is attracted by Eurocebollas's job content. In addition to this, Eurocebollas offers good working conditions, including a good work-life balance of its employees.

SUCCESS

- 95% of indefinite contracts with its employees.

PEOPLE POLICY

Eurocebollas is a family company whose mission is to satisfy the needs of its customers by offering a wide range of products adapted to the different cultures, formats and required specifications, with competitive prices and with the guarantee of the highest standards in quality and food safety.

The Eurocebollas project is largely the result of the work carried out by the Human Capital that the company has. That is why they aim to enhance the well-being of each and every one of those who make up Eurocebollas, seeking their commitment and excellence in each and every one of the operations carried out where customer satisfaction is the main objective.

SUCCESS

- Salary gap calculated for the first time in 2021
- Absenteeism reduced by 3.3 p.p.

SASB KPIs

- **Water management:** total water withdrawn: 562m3 in 2021 (vs. 347m3 in 2020)
- **Food safety:** total amount of food product recalled: 0 Product recalled: 0

Secondary SDGs	6	8	12	13
TARGET	6.4	8.5	12.2 12.5	13.2

FILMIN

Founded in 2007 in Barcelona, Filmin is a VOD (video on demand) platform with presence in Spain and Portugal and a unique positioning based on its editorial and cultural approach, complementary to large international generalists. Filmin has the largest subscription SVOD catalogue in Europe (+15.000 titles), with a unique offer of quality films and series, including independent and European titles, complemented with classics and contemporary titles. Besides its editorial approach, Filmin has an innovative vocation, being the first Spanish VOD platform and the pioneer organizing an on-line film festival.

- HEADQUARTERS
Barcelona (Spain)
- HEADCOUNT
51
- INVESTMENT DATE
November 2020
- WEBSITE
www.filmin.es
- ESG LEADER
Pilar Heredia



ENVIRONMENT

Filmin has begun its journey of having a positive impact on the environment by calculating their carbon footprint.

Filmin has chosen to rent an electric vehicle as a company car. This technological change will allow for lower energy consumption, thus minimizing its environmental footprint.

On the other hand, Filmin stands out for its environmental awareness content. It offers a wide variety of content related to climate change and environmental issues.

Filmin is committed to the recycling of paper, the elimination of plastics in the office as well as the use of LED bulbs in an integral way.

SUCCESS

- Total CO2 emissions: 18,82 t CO 2 eq
- 0.0009 t CO eq / revenues (carbon intensity)
- Emissions reduction plan
- Climate change awareness

Primary SDGs

TARGET



5.1 13.3

Secondary SDGs

TARGET



16.5

CULTURAL PROJECTS

Filmin, leads the ranking of the best in digital cultural content in Spain in 2021, surpassing other proposals such as the Prado Museum, the Telefónica Foundation, the Royal Theater or the Juan March Foundation, and climbs one place compared to 2020, from second to first place. This is the result of the Observatorio de la Cultura 2021, which is prepared by the Fundación Contemporánea and analyzes the state of the sector at the national and territorial level by communities.

In addition, the company collaborates with Cinesecreto.org, an association that aims to integrate immigrants in the Spanish culture through cinema or the Tarifa African Film Festival, among others.

The Filmin Times, is a website available at www.thefilmintimes.com that explores the contemporary history of Europe told through film.

SUCCESS

- Filmin, the best digital cultural project in Spain in the Observatory 2021.
- Collaboration with cinesecreto.org

SASB KPIs

■ Environmental Footprint of Hardware Infrastructure:

- Total energy consumed: 95,647 kwh
- Percentage grid electricity: 100%
- Percentage renewable: 0%

■ Data security: number of data breaches: 0

LABORATORIOS ALMOND

Laboratorios Almond is based in Murcia and was founded 25 year ago. The company produces and distributes organic food, with a degree of specialization in plant-based beverages, under two recognized brands, Naturgreen and Ecomil. The company has 6.200 sqm production facilities located in Librilla (Murcia).

■ HEADQUARTERS	■ HEADCOUNT	■ INVESTMENT DATE	■ WEBSITE	■ ESG LEADER
Murcia (Spain)	98	December 2020	www.naturgreen.es	Isabel Gómez Romero



ENERGY EFFICIENCY & RENEWABLES

The company carries out permanent energy management in order to be more efficient and reduce pollution. It has a photovoltaic installation for self-consumption in 2021, uses LPG – which is less polluting - and develops preventive maintenance plans.

The percentage of renewable energy consumption has increased by 6%, reaching almost 20% of the total energy consumed. In addition, the consumption of energy from fossil fuels has been reduced by 91%.

SUCCESS

c. €384 MWh self-generated and consumed renewable energy.

Primary SDGs



Secondary SDGs



ESG SUPPLY CHAIN MANAGEMENT

The company is in a constant improvement process regarding the supply chain management in relation to labor and environmental practices.

In 2021 Almond requests from its material suppliers a formal and documented commitment to comply with International Treaties and Declarations on Rights such as Human Rights, Children’s Rights, Universal Declaration of Animal Rights, among others. In 2022, on-site visits to suppliers’ facilities (temporarily suspended in 2020 and 2021 due to COVID-19) will be re-established.

SUCCESS

95% of products with organic farming certification.

SOCIAL COMMITMENT

Almond’s social commitment is materialized in the several social programs with NGOs, such as Banco de Alimentos.

SUCCESS

28,726€ equivalent donated in NaturGreen products in 2021.

SASB KPIs

- **Energy Management:** total energy consumed: 2,001,840 kWh, percentage grid electricity: 81%, percentage renewable: 19%.
- **Energy Management:** total energy consumed: 2,001,840 kWh, percentage grid electricity: 81%, percentage renewable: 19%.
- **Product labeling and marketing:** total amount of monetary losses as a result of legal proceedings: 75 €
- **Total amount of food product recalled:** 4,306.54 kg

NUTRIS

Based in Madrid and founded in 2013, Nutris is a leading European nutraceutical company specialized in functional gummies that are sold in pharmacies, herbalists, and other specialized stores. The company equally markets functional ingredients and probiotics to over 200 customers (nutraceutical laboratories, contract manufacturers and other B2B operators).

- HEADQUARTERS **Madrid (Spain)**
- HEADCOUNT **19**
- INVESTMENT DATE **July 2021**
- WEBSITE **www.nutris.es**
- ESG LEADER **Ainhoa García**



ESG ACTION PLAN

As one of Nazca's most recent acquisitions, Nutris was subject to an extensive ESG Due Diligence to assess the company's current ESG standing and performance. We believe that the company has incredible potential for growth and positive impact.

In the short timeframe that Nutris has formed part of Nazca's portfolio, we have kickstarted the process of measuring essential ESG KPIs.

SUCCESS

- Adherence to Nazca's Responsible Investment Policy
- ESG Leader appointed
- ESG KPIs measured

QUALITY AND FOOD SAFETY

Nutris is committed to developing the highest quality products to cater to all their clients' needs and to end consumers. It follows rigorous manufacturing and quality management protocols that adhere to global standards.

SUCCESS

Certified under the most exigent quality management schemes in the industry, namely GMP, BRC and IFS.

Secondary SDGs		
TARGET	3.4	9.5

INNOVATIVE SOLUTIONS FOR BETTER HEALTH

Through its vast product portfolio, Nutris provides convenient solutions that promote health and wellbeing. Its range of functional gummies tackle issues such as anxiety, calcium and immune deficiencies, and joint pain (among others).

The company's core business is directly linked to SDG 3, target 3.4.

The company publishes numerous investigation papers, one of which is focused on quercetin as an active ingredient to fight and prevent Covid-19.

SUCCESS

- 6 patents
- 12 exclusive ingredients
- 6 proprietary clinical trials.

SASB KPIs

- **Product safety:** number of recalls issued: 0
- **Employee recruitment, development and retention:** turnover rate: 0%

SEPROTEC

Founded in 1989, SeproTec Multilingual Solutions is a company specialized in translation and interpretation services. Since its founding, the company has greatly expanded its service offering leveraging internal innovative capacities to create advanced technological solutions that cater to its clients' needs. With an extensive portfolio of over 1,000 clients and a global presence spanning 11 countries, SeproTec has become an industry leader.

- HEADQUARTERS **Madrid (Spain)**
- HEADCOUNT **554**
- INVESTMENT DATE **September 2021**
- WEBSITE **www.seprotec.com**
- ESG LEADER **Fernando Ruiz de Assim**



SOCIAL INCLUSION

Social responsibility lies at the core of the company's values. SeproTec has not only committed to creating a greater number of jobs, but equally to promoting social inclusion in the labour market of disadvantaged groups. This commitment is outlined in the company's Quality and Environmental Policy.

The INTEGRA Project was launched in 2008 with the purpose of providing disadvantaged groups with specialized training in the field of multilingual services in order to rejoin the labour market. The most representative groups in the project are immigrants.

SUCCESS

SeproTec recognized at the Red Cross Spain 2021 Awards as a company committed to the recruitment of vulnerable groups.

QUALITY & TRANSPARENCY

SeproTec is committed to providing their vast portfolio of clients with the highest quality of service possible.

The company has acquired numerous certifications in this regard and complies with the requirements set out by the International Standards Organization (ISO).

Success: ISO 9001 (Quality); UNE-EN ISO 17100 (specific to translation services); ISO 14001 (Environmental Management)

ESG INTEGRATED IN THE COMPANY'S STRATEGY

SeproTec is a company with strong ESG values committed to generating a positive impact through the work performed and in the societies they operate in.

The company has a dedicated Corporate Social Responsibility department that overlooks the development of sustainability plans that encompass environmental protection, improving community relations, ensuring transparent disclosure of the company's activities and the proper management of quality and environmental programs that are regularly audited.

SUCCESS

the company is a signatory of the United Nations Global Compact

SASB KPIs

Workforce Diversity & Engagement: turnover rate: 22%

Secondary SDGs



TARGET

8.5
8.8

16.3

ZUNIBAL

Zunibal is a Spanish company, with over 25 years of experience, specialized in developing, manufacturing and commercializing of technological solutions (satellite buoys, involving advanced software (AI, Machine learning) and hardware) for worldwide fisheries, with a business model focused on innovation (solid R&D team & partners) and ESG (ocean's sustainability). The company has a very diversified customer portfolio of global and local fisheries, with c. 85% of revenue coming from international markets. Zunibal has become a global reference in marine solutions for the tuna fishing sector.

- HEADQUARTERS
Bilbao (Spain)
- HEADCOUNT
68
- INVESTMENT DATE
July 2021
- WEBSITE
www.zunibal.com
- ESG LEADER
Javier Varela



ENVIRONMENTAL COMMITMENT

Zunibal is committed to ensuring that their business operations contribute to oceans' sustainability through: the improvement of monitoring, reducing by-catch and increasing fleet efficiency (helping to achieve relevant savings in fuel), and incorporating sustainability factors throughout their value chain.

Zunibal measures its scope 1 and 2 GHG emissions. Their products are developed based on eco-design principles. Production processes have zero or minimum levels of polluting emissions and equipment is properly recycled.

SUCCESS

- Certifications: ISO 9001 and ISO 14001
- Carbon footprint measured for the first time in 2021
- GHG emissions (Scope 1 and 2): 52tCO2eq
- Carbon intensity: 0.0021tCO2eq
- 51% electricity coming from renewable sources

RESEARCH & DEVELOPMENT

R&D is a critical factor of the business model: investment in R&D represents around 10% of Zunibal's revenue, over 35% of the workforce is in the R&D department and the company has partnerships with relevant suppliers, technological hubs and universities.

Secondary SDGs

TARGET



9.4



13.3



14.4

COMMITMENT TO SUSTAINABLE FISHING

Zunibal's cutting edge technological solutions for tuna fishing have put them at the forefront of sustainable fishing initiatives. The company's satellite buoys are designed to achieve efficient and sustainable fishing practices.

Sustainable fisheries are those that can be maintained indefinitely without compromising the population viability of the target species and without negatively impacting the environment they live in (seas and oceans), whose health has a direct link to global emissions.

In collaboration with other companies and research centres, Zunibal is working on developing innovative solutions to improve fishing models that lead to negative impacts, such as overfishing, on the marine ecosystem.

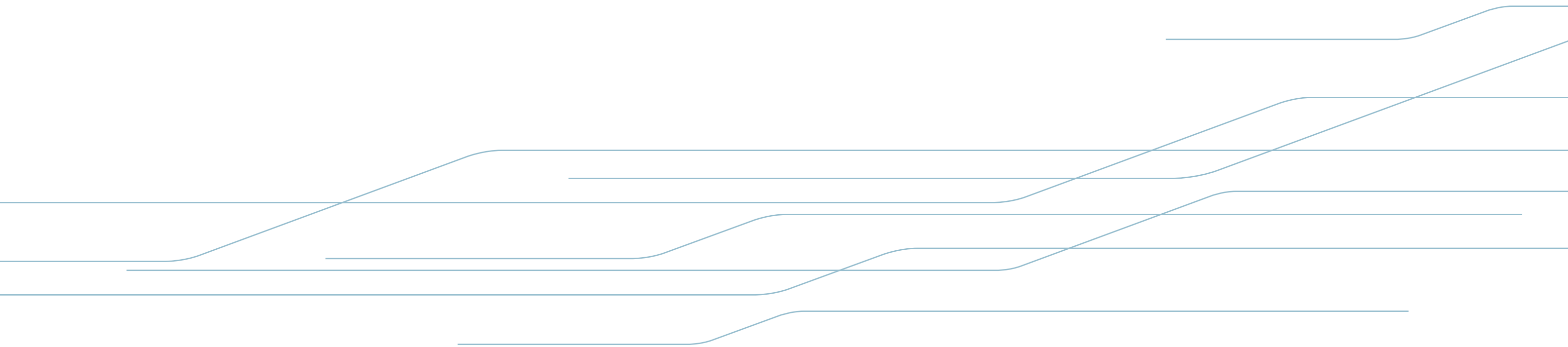
SUCCESS

- **Smartfish Project:** international collaborative project aimed at developing high-tech solutions for the EU fishing sector.

SASB KPIs

- **Environmental Footprint of Hardware Infrastructure.**
 - Total energy consumed: 300,363 kwh
 - Percentage grid electricity: 87%
 - Percentage renewable: 51%
- **Hazardous waste management**
 - Total amount of waste generated: 4.07 tons
 - Percentage of hazardous waste: 17%
 - Percentage of hazardous waste recycled: 50%

Leading by example



Transparency

ESG TRANSPARENCY

- We have improved our ESG transparency. Besides including information about Nazca and its investees ESG highlights, you can find our new Responsible Investment Policy and sustainability reports.
- Our progress allows us to be ready for the implementation of the Sustainable Finance Disclosure Regulation.

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

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



Leading by Example



NAZCA LEADS BY EXAMPLE THROUGH

- E**
 - Calculation of Nazca's CO2 footprint.
- S**
 - Level 20.
 - Collaboration with NGO Banco de Alimentos.
- G**
 - Code of Conduct.
 - Anti Corruption Policy.
 - Compliance.
 - Conflict of interest policy.
 - Reinforced cybersecurity.

11 %
FEMALE PARTNERS

21 %
WOMEN IN EXECUTIVE POSITIONS

10 %
WOMEN IN THE IAB

NAZCA'S 2020 CARBON FOOTPRINT

SCOPE	EMISSIONS (TCO 2 EQ)	% OF TOTAL
SCOPE 1	36.1	70.7 %
SCOPE 2	5.7	11.1 %
SCOPE 3	9.3	18.2 %

OUR VALUES

INTEGRITY, HONESTY AND TRANSPARENCY	CULTURE OF PARTNERSHIP	COMMITMENT TO BUSINESS PARTNERS AND INVESTORS	RESPONSIBLE AND DISCIPLINED	AMBITION TO LEAD
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Conclusion and Next Steps

We are pleased to have shared our 2021 Sustainability Report with you. As the ESG landscape is a constantly evolving field, Nazca will continue to refine and grow its disclosures to provide meaningful insights for its stakeholders.

For this coming year, we will continue to build upon our successful model, investing in organizational resources integrating sustainability throughout the investment cycle, from investment to divestment.

We understand we have responsibilities as investors to leave a positive impact, and therefore we are constantly evolving and adapting to sustainability challenges. We strive to keep close relations with our portfolio companies, since, in return, they have a lot to teach us about how to integrate sustainability in business.

We look forward to continue sharing our progress with you and are excited for what this year will bring.

Yours sincerely,

NAZCA

We understand we have responsibilities as investors to leave a positive impact, and therefore we are constantly evolving and adapting to sustainability challenges



2021 ESG Key Indicators

	FOODBOX	PHIBO	HERBEX	TERRATEST	DIATER	CINELUX ²		ONE SHOT	IDP	EURO CEBOLLAS	FILMIN	ALMOND	NUTRIS	SEPROTEC	ZUNIBAL	
ENVIRONMENTAL																
TOTAL CARBON EMISSIONS (tCO2eq) – Scope 1 and 2	N/A	237	3,457	11,776	142	110		404	80	1,769	19	N/A	N/A	20	52	
TOTAL CARBON INTENSITY (tCO2eq€) – Scope 1 and 2	N/A	0.0091	0.0645	0.0566	0.0083	N/A			0.0077	0.0621	0.0009	N/A	N/A	0.0005	0.0021	
% RENEWABLE ENERGY	100% ¹	100%	0%	0%	72%	N/A		0%	42%	66%	0%	19%	0%	0%	51%	
HAZARDOUS WASTE	N/A	83%	2%	79%	45%	N/A		N/A	1%	N/A	0%	1%	0%	N/A	17%	
ENVIRONMENTAL POLICY	YES	NO	YES	YES	NO	YES		NO	YES	YES	NO	NO	NO	YES	YES	
SOCIAL																
NET EMPLOYMENT CREATED	-18	14	303	-251	-1	4		7	36	24	13	0	5	12	N/A	
WAGE GAP CALCULATION	NO	IP	YES	YES	IP	NO		NO	YES	YES	NO	NO	NO	YES	YES	
WORK ACCIDENTS (FREQUENCY AND MATERIALITY RATES)	31.9 / 1.96	0.1	8.17 / 108.07	17.6 / 0.43	5.98 / 0.26	13.5 / 0.51		0 / 0	0 / 0	62.8 / 0.7	0 / 0	N/A	0 / 0	11.56 / 0.19	0 / 0	
ABSENTEEISM	8.1%	2.0%	0.6%	3.8%	10.3%	4.5%		0%	3.6%	7.1%	0%	4.1%	0%	9.9%	2.0%	
EMPLOYEE TURNOVER RATE	57%	22%	141%	8%	16%	2%		65%	32%	58%	16%	16%	0%	5%	6%	
VALUE SHARING MECHANISM	YES	NO	NO	YES	YES	YES		NO	YES	YES	NO	YES	NO	NO	YES	
GOVERNANCE																
BOARD GENDER DIVERSITY	13%	0%	0%	20%	20%	25%		0%	17%	20%	40%	0%	40%	0%	25%	
EXECUTIVE COMMITTEE GENDER DIVERSITY	33%	50%	40%	18%	0%	40%		33%	0%	20%	0%	13%	50%	42%	100%	
BOARD MEMBERS' INDEPENDENCE	13%	20%	25%	20%	20%	0%		0%	17%	20%	20%	20%	20%	14%	33%	
ESG SUPPLY CHAIN POLICY	YES	YES	NO	YES	NO	NO		NO	YES	YES	NO	NO	YES	YES	NO	
COMPLIANCE PACKAGE IN PLACE	YES	YES	YES	YES	IP	YES		NO	IP	NO	IP	NO	NO	NO	NO	

¹ Foodbox's office energy and owned restaurants have 100% renewable origin electricity.

² Cinelux emissions correspond to 2020.

Definitions

- IP: in process.
- Net employment created excludes build-ups.
- Absenteeism measured as n. of absent hours paid and not paid for total workforce (fixed and temporary).
- Employee turnover rate measured as FTE leaving the company during the year over average FTE.

nazca.es



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