

## RESPONSIBLE INVESTMENT POLICY

### **I. Statement of Principles:**

Global changes are shaping the course of the world in which we live. Our society is facing great challenges to achieve an economy/society that integrates people and is more efficient in the use of resources. The convergence between the social sector, innovation and digitalisation represents an enormous opportunity to resolve the economic disparities and the social and environmental challenges we face.

As a result of this situation, a new path towards a more sustainable world has been charted through the adoption in 2015 of the Paris Agreement on Climate Change and the 2030 UN Agenda for Sustainable Development, focusing on a set of Sustainable Development Goals ("SDG").

In order to ensure compliance with these objectives, it is essential to improve the **contribution** made by the world of finance to sustainable growth, bolstering financial stability through the incorporation of Environmental, Social and Governance factors (ESG) into investment decisions.

Suma Capital is committed to this growing and necessary trend, and wishes to play a proactive role in effecting this change. Thus, from our beginnings we have harboured great interest in demonstrating our management capacity in relation to ESG-related issues:

- ✓ In 2013 we were pioneers in Spain by joining and adhering to the Principles for Responsible Investment (PRI) endorsed by the United Nations
- ✓ We believe that environmental, social and good governance issues are key when analysing and making an investment. Therefore, **we view ESG as a lever to create value for our investors, stakeholders and society in general.**
- ✓ **We are committed to innovation, people and the digitalisation** of our companies as necessary tools to foster a more efficient and inclusive economy and society.
- ✓ We are committed to continuing to **work on aligning our investments with SDGs**, in order to attune our strategy and its impacts with these priorities. Thus, we pursue sustainability continuously, both in our thematic funds, focused on supporting Energy Transition and the Circular Economy, and in our Capital Growth investments in SMEs.

## II. *Our Values:*

Suma Capital is governed by four foundational values that play a decisive role in determining our actions in the area of ESG:

- **People:** We recognise people as the main asset of Suma Capital and the companies in which we invest. We are committed to honest and stable human relationships, within a framework of equal opportunity.
- **Sustainability:** We work to optimise all the resources we need, minimise their negative social and environmental impacts, and maximise their positive ones.
- **Solidarity:** support social causes that benefit communities. Suma Capital's social conscience is an integral part of our integrity, so we allocate 2% of our profits to social projects and promote active involvement in solidarity causes.
- **Commitment:** We accept our responsibility and are committed to acting at all times with transparency and honesty and observing the highest ethical standards in everything we do. We firmly believe in what we do. We seek the highest level of alignment with our investors, so we co-invest with them in all funds and projects.

### III. Our ESG strategy:

Our ESG Strategy is fully consonant with our values. At Suma Capital we believe that the generation of sustainable value is based on a comprehensive vision, oriented towards offering the best possible results for the companies in which we invest, and for related parties (shareholders, customers, suppliers and employees), ultimately benefitting our investors. Therefore, our return is measured not only from the financial point of view, but also from a social and environmental one.

Our foundational slogan, "**Working together, we achieve new goals**", encapsulates our strategy and the way we work. We observe it by being faithful to four essential principles, as part of our permanent desire for continuous improvement in everything we do:

1. **Excellence**: At Suma Capital we believe in a job well done and strive for excellence in everything we do. We are passionate about our work and endeavour to do it in the best possible way at all times.
2. **Innovation**: We work to provide the ideal solutions to needs, in a context of continuous and accelerated change. We look for ways to achieve the goals we pursue in the most beneficial way for all the parties involved.
3. **Perseverance**: Effort, resilience, and persistence characterise our work, which we enjoy, because we view perseverance as the key to achieve the goals that we have set.
4. **Enthusiasm**: We face challenges as a team, with passion, an optimistic attitude, and the joy of sharing, facing and overcoming them.

As responsible investors, we realise that the impact of our decisions depends on what we do and how we do it, so **we recognise our ESG Strategy as a way to foster economic activity in the long term.**

#### IV. The Principles Underlying our Responsible Investment:

**“Suma Capital is an investor with a long-term vision...”**

At Suma Capital believe in furnishing our investee firms and projects with financial, human and organisational resources, allowing them to undertake a new road towards growth, and to create sustainable value.

**“...managing ESG as part of our fiduciary duty...”**

We view the integration of ESG-related matters within the scope of our fiduciary duty, in line with the European Commission's Action Plan for sustainable development.

Our investments are environmentally responsible and in accord with the new challenges facing the Planet. We pursue investments with a positive and quantifiable impact in the field of Energy Transition, accelerating the necessary decarbonisation and Circular Economy, and promoting the efficient use of resources.

**Environment**



We recognise the social role of our investments in furthering the creation of employment, equal opportunities, and training as basic pillars of our companies' most important assets: people.

**Social**



The composition of the Board of Directors, the independence of its members, and the effective representation of the shareholders are essential objectives in the governance of our investments, always guided by Ethical Codes and Compliance Manuals facilitating transparent, honest and democratic management.

**Governance**



**“improving the holistic profitability or their assets “**

At the core of our responsible investment philosophy’s is our belief that the **integration of ESG criteria into our processes will improve our investments’ long term return.**

## V. Commitment and Implementation of our Responsible Investment:

Our Responsible Investment Strategy is integrated into our governance structure, the company's culture, and in its operational processes and procedures.

We see ESG criteria as a means to identify risks and opportunities associated with our short and long-term investments, as our objective is to achieve a multi-faceted return: financial, social and environmental, with a view to quantifying and reporting this to our investors and the community.

To this end, we have specific resources (monitored by our ESG Coordinator), and their evaluation and monitoring is approved and reviewed by Suma Capital's Board of Directors.



Key phases to implement our Strategy are:

### 1. Exclusion:

Suma Capital **does not invest** in partnerships/projects whose main activity consists of any of the following:

- I. The production or distribution of tobacco and tobacco-related products.
- II. Gambling.
- III. Any resulting in the limitation of the individual rights or freedoms of individuals, or human rights violations.
- IV. The direct sale, supply, production or distribution of modern armaments or military weapons.
- V. Human cloning
- VI. Any activity related to Genetically Modified Organism

## 2. ESG Due Diligence:

Suma Capital's investment process includes an evaluation of its target companies/projects, identifying possible ESG-related risks and opportunities. We are committed to continually bolstering our due diligence procedures to ensure strict compliance with ESG criteria.

The results of this due diligence work are systematically included in our investment memorandum to ensure that the Investment Committee is duly informed about ESG criteria and can evaluate them.

## 3. Monitoring of ESG Issues:

We support our portfolio companies and projects in monitoring ESG criteria so as to identify possible risks/opportunities in order to, if necessary, take actions to minimise risks and/or maximise opportunities.

Below are ESG-related topics that we take into consideration:

		
<ul style="list-style-type: none"> <li>- Climate change</li> <li>- Resource depletion</li> <li>- Waste generacion</li> <li>- Air pollution</li> <li>- Biodiversity loss</li> </ul>	<ul style="list-style-type: none"> <li>- Human rights</li> <li>- Local communities</li> <li>- Health and safety</li> <li>- Relations with employees and diversity</li> <li>- Consumer protection</li> </ul>	<ul style="list-style-type: none"> <li>- Bribery and corruption</li> <li>- Board: diversity and structure</li> <li>- Shareholders' s right</li> <li>- Interaction with intereste groups</li> <li>- Business ethics</li> </ul>

#### 4. ESG Reporting:

At Suma Capital we seek **the transparent disclosure of ESG issues** by the companies in which we invest. Our policy of reporting to investors and other interest groups is based on three pillars:

- ✓ **Collecting information:** we have our own tools to gather information about ESG-related performance of the companies in our portfolio.
- ✓ **Evaluating:** monitoring the relevant ESG performance indicators.
- ✓ **Disclosing:** regularly informing our investor and the community about the firm's ESG-related impacts.

#### 5. On-going improvement:

Our commitment as a responsible investor includes **strengthening the ESG capacities of our companies/projects and supporting their management**. Therefore, at Suma Capital we consider and discuss ESG issues with the management of our investees in a continuous and structured manner.