

Suma Capital Responsible Investment Policy

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1. Statement of Principles: Our Purpose

SUMA CAPITAL is an independent private equity fund manager that invests in sustainable infrastructure and growth capital through two different investment programmes.

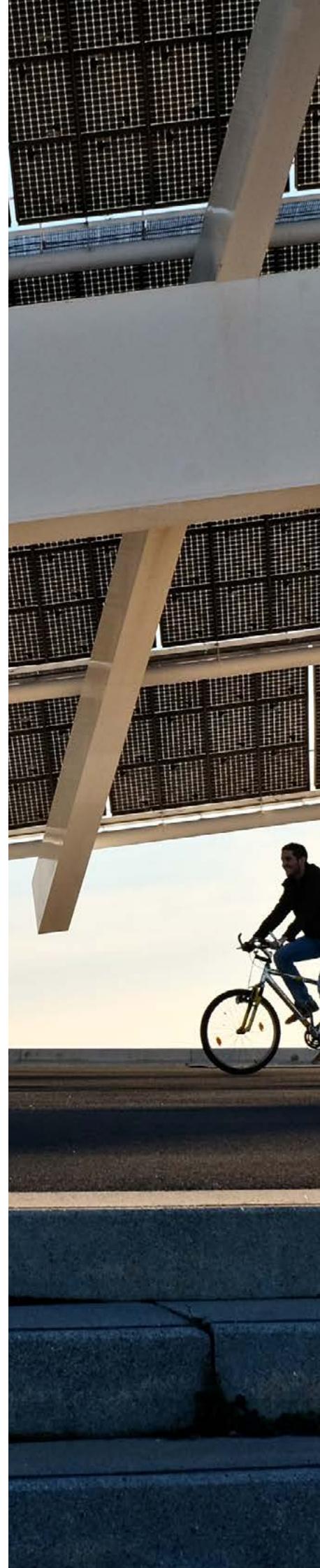
SUMA CAPITAL's investment activity has been conducted responsibly ever since its creation, incorporating best practices and recognizing responsible investment as a means to create positive economic, environmental and social value for our investors, rest of stakeholders, and the community as a whole.

We are cognizant of the responsibility we have as investors to contribute to building the world of the future in a sustainable way.

Our firm Purpose is a declaration of intentions: "**We commit to build the future we believe in**"; a responsible, sustainable and inclusive future that allows us to tackle social and environmental issues. At Suma Capital, we believe that the generation of sustainable value is based on a comprehensive vision, oriented towards offering the best possible results at the companies in which we invest, and for their related parties (shareholders, customers, suppliers, employees and community), ultimately benefitting our investors.

To do this, we join forces with entrepreneurs and partners to achieve their goals and generate shared value:

- 1.** We bring knowledge and rigor to the management of our portfolio companies, creating sustainable value through the incorporation of aligned and inclusive governance, which incorporates social and environmental considerations as an essential aspect.
- 2.** We finance infrastructures and assets that make more efficient use of energy, and promote its generation from renewable sources, as well as those designed to promote the circular economy, through the use of waste or improvement of the water cycle.





By investing in this way, we aim to actively contribute to achieving the Sustainable Development Goals (SDGs) by consciously directing our investment towards those sectors in which we can generate the greatest impact.

This SUMA CAPITAL Responsible Investment Policy details our **Purpose**; grounded in a series of solid: **Values**; which form the **Key Principles of our Responsible Investment Policy**; embodied in a set of detailed **Implementation, Processes and Commitments**.

2. Our Values

Our Values represent the essential elements of our culture and the foundation on which our Purpose is built. They are based on People Who Commit to Responsibility, as detailed below:

1 People | Growing together

Experience

We possess a highly qualified team with thorough knowledge of our investment segments.

Passion

We tackle challenges with professionalism, rigor, and enthusiasm, overcoming them with passion and a positive attitude.

Collaboration

We firmly believe that, working as a team, we go further than as individuals. We build relationships based on trust, support and loyalty.

2 Commitment | Meeting commitments

Excellence

We seek perfection in our investment activity, giving the very best of ourselves, committed to continuous improvement and avoiding complacency.

Perseverance

Effort and resilience characterize our work, key to achieving objectives and overcoming difficulties.

Alignment

We share the interests of all our investors by committing our own assets alongside theirs.

3 Responsibility | Building a better future

Value Creation

We work to generate returns for our investors. We are innovative with a practical approach that allows us to achieve excellent results.

Sustainability

We harbour a holistic vision of value generation, which must be sustainable and shared with the rest of the stakeholders, and society as a whole.

Ethics

We observe the highest standards of business ethics and transparency, to continue being the preferred partner of our investors and investees.





3. Key Principles of our Responsible Investment Policy

At SUMA CAPITAL we seek to provide our investees/projects with financial, human and organizational resources that allow them to embark on new paths of growth and create sustainable value.

We believe that the integration of Environmental, Social and corporate Governance (ESG) factors into our investment decisions, and the active exercise of ownership, are an integral part of our fiduciary duty. Hence, we were one of the first Spanish Private Equity managers to be signatories (2013) of the United Nations Principles for Responsible Investment (**UN PRI**), committing ourselves to:

- 1.** Incorporate ESG issues into investment analysis and decision-making processes.
- 2.** Be active owners and incorporating ESG matters in the exercise of our ownership practices and policies.
- 3.** Persuade our investees to report on the ESG issues of concern to them.
- 4.** Promote the acceptance and application of the Principles in the investment sector.
- 5.** Work collaboratively to improve our effectiveness in applying the Principles.
- 6.** Report our activities and progress in applying the Principles.

As we have stated, our Purpose (“**We commit to building the future we believe in**”) goes beyond our commitment as a signatory. We must contribute, and actively do so, to the achievement of the **Sustainable Development Goals** (“SDGs”, a global agreement on the greatest environmental, social and economic challenges facing humanity).

Our different Investment Programs address Macro-Trends and Themes that allow us to contribute to the attainment of the SDGs:

	Macro-Trends	Investment themes	SDG
SC INFRA	Energy Transition	Renewables	
		Energy efficiency	
		Mobility	
	Circular Economy	Waste to Energy	
		Waste to Resource	
		Water Cycle	
	Lifestyle	Health	
		Food	
		Education	
		Leisure	
SC GROWTH	Digitalization	Industry	
		Retail	
		Services	
	Sustainability	Responsible consumption	
		Climate change	
		Integration/Diversity	

The guidelines we follow when integrating ESG considerations into our investment process are as follows:

- The UN Global Compact's Ten Principles of Corporate Governance
- The National Securities Market Commission's recommendations
- The Global Reporting Initiative (GRI) Standards
- The OECD anti-corruption convention
- The fundamental conventions of the International Labour Organization
- The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

4. Implementation, processes and commitments of our Responsible Investment Policy

We view the integration of the ESG criteria as a way 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, in order to quantify and reporting this to our investors and the community.

Our Responsible Investment Policy is integrated into both (i) our governance structure and (ii) investment processes and procedures. Likewise, we are committed to (iii) transparency and communication, including (iv) the internal promotion of responsible investment.





I. ESG Governance Structure

ESG issues are present throughout the organization, and are coordinated from the top. In order to provide an adequate response to its commitments undertaken as a responsible investor, SUMA CAPITAL has equipped itself with the following organization and resources:

1. ESG Committee

An ESG Committee (reporting to the Board of Directors) is formed, consisting of the Chairman of the Management Company, and two Partners, one for each investment strategy (Sustainable Infrastructure and Growth Capital), the ESG director of the management company, and an independent expert.

The ESG Committee is charged with:

- Preparing and updating the Responsible Investment Policy
- Ensuring and defining the strategy to implement new practices
- Tracking the implementation of processes, and analysis of improvements
- Addressing ESG-related issues

In addition, the ESG Committee sees to comply with the management company's commitments as an entity, in relation to the environment (environmental management regarding travel and at the office level, in order to minimize the Management Company's Carbon Footprint), its workers (policies of equality, diversity, motivation, talent retention, and well-being at work) and its relationship with the community (corporate volunteering).

2. Management company's ESG director

The management company's ESG director coordinates the efforts of SUMA CAPITAL for the implementation of its Responsible Investment Policy, and manages and supervises ESG-related actions carried out in the organization, being in charge of preparing the UN PRI Transparency Report, as well as annual reports for investors, as required.

3. Compliance Committee

SUMA CAPITAL has a specific Regulatory Compliance Committee (also reporting to its Board of Directors), made up of the President of the Management Company, a Partner of the Firm, the management company's ESG director, and an external lawyer, in order to apply best practices with reference to good governance (compliance, alignment of its executives' interests, and management of conflicts of interest).

4. ESG Champions in each of the strategies

They are responsible for ensuring that ESG factors are properly integrated into investment processes and investees. They monitor the portfolio company's ESG plans for either growth or sustainable infrastructure strategy. In both scenarios this includes the assessment of KPIs.

5. Training

SUMA CAPITAL conducts specific annual ESG training for its employees, to provide them with the skills to account for ESG-related risks and value creation opportunities into investments.

6. Performance Evaluation

The proactivity and dedication of SUMA CAPITAL's professionals to ESG issues is recognized and evaluated as part of their performance, and even impacts the computation of their annual variable remuneration. The aspects evaluated include ESG training and introducing ESG considerations into their daily work.

7. External advisers

The Management Company complements its ESG capabilities with external advisors to incorporate best practices into the designing of ESG policies and procedures, as well as the measurement and auditing of KPIs. An independent ESG expert sits on the ESG Committee to advise on best practices to implement ESG criteria.



II. Investment Process: the incorporation of ESG factors into the investment process

SUMA CAPITAL recognizes the particularities of each of its strategies when carrying out the integration of ESG factors into the different phases of the investment process.

GROWTH CAPITAL	SUSTAINABLE INFRASTRUCTURES
Origination	
<p>In our Capital Growth strategy, as part of our investment criteria, we follow the exclusion list of the World Bank's International Finance Corporation, and that of the European Investment Bank.</p> <p>As a step prior to the analysis of any investment, the investment teams verify that the company or project in question does not engage in any of the excluded activities.</p> <p>Suma will not invest in any commercial activity that entails any kind of illegal economic operation.</p> <p>We also exclude the following illegal or morally controversial sectors:</p> <ul style="list-style-type: none">— The production and marketing of tobacco or distilled alcoholic beverages, and related products.— The production and marketing of weapons and ammunition of any kind (except for the strategic activities of the EU, included in its policies).— Gambling, casinos and equivalent enterprises.— Developments and technical applications related to computerized data programs or solutions specifically focused on any activity described above, such as online gambling or casinos, pornography, or any activity that involves or allows illegal access to Internet networks, data, or the downloading of electronic databases.— Research, development or technical applications related to human cloning or the genetic modification of organisms.— Any activity that curtails human rights in any way.— The exclusion of any company or project exhibiting evidence of corruption, money laundering practices, or other crimes.	<p>In our investments in Infrastructure, as they are considered impact funds, in addition to the list of exclusions mentioned in the Growth Capital section, in order to be eligible projects must generate a positive social and environmental impact.</p> <p>For this, their investment focus shall exclusively be focused on:</p> <ul style="list-style-type: none">(i) Energy transition: projects that optimize for a more efficient use of energy, improving efficiency, generating renewable energy for self-sufficiency, or streamlining mobility and transport.(ii) Circular Economy: Projects that increase the reuse, recycling or recovery of waste, generating new resources or energy; or that favour the water cycle.

GROWTH CAPITAL

SUSTAINABLE INFRASTRUCTURES

Due Diligence

In our Capital Growth strategy we carry out ESG Due Diligence on each new investment opportunity, using specialized, external resources.

During the Due Diligence process, Suma places a particular emphasis on identifying ESG risks and opportunities to ensure compliance with SUMA CAPITAL's Responsible Investment Policy.

Due Diligence covers, at least, the following aspects:

- Environmental: climate risks, compliance with regulations and best practices, certifications, energy efficiency, Circular Economy, the efficient use of resources, key indicators of environmental performance (energy consumption, waste, etc.).
- Social: compliance with labour and Human Rights regulations, company culture, equity, meritocracy, and other labour-related issues (human resources practices, health and safety, reconciliation of work and personal life, etc.).
- Good Governance: business integrity, the existence of programs for compliance with criminal regulations, existing governance structure (Board of Directors, Management Committee, Monitoring Commissions, etc.), risk management, business continuity, management of conflicts of interest, interest alignment schemes, Corporate Social Responsibility.

Our Due Diligence process includes short- and long-term action plans aligned with the SDGs, and is included in the report for the Investment Committee.

In our investment in Infrastructure the preliminary ESG analysis of projects impacts the investment decision process and prepares the project to manage its risks across the different stages of its life cycle, from conception through to the construction, operation and maintenance stages, until its subsequent sale or the end of the project's life.

In addition to the ESG aspects mentioned in the Growth Capital section, the ESG Due Diligence also includes analysis of the supply chain, including the EPC operation and maintenance contract:

- The existence of policies and systems related to sustainability and ESG, the scope of these policies, and the definition of their governance.
- Track record in terms of safety and health issues.
- ESG chain of responsibility and sustainability at the project level.
- ESG improvements track record in line with sustainability policies and their processes.
- Monitoring and communication with the investors and with other stakeholders in relation to the implementation of the ESG policy, and measurement of the impact generated.

In the event that the investment vehicle is newly created, Due Diligence includes the past and present ESG record of the management activities of the developer and contractors.

The Due Diligence's ESG recommendations are included in the report for the Investment Committee and are quantified in the project evaluation model.

GROWTH CAPITAL

SUSTAINABLE INFRASTRUCTURES

Investment Decision

The Investment Committee of each investment area analyzes and approves the investment opportunities and supervises the portfolio companies.

The Investment Committee pays special attention to ESG-related risks and opportunities. Particularly good ESG scores are appreciated by the Committee when assessing investment decisions. However, it does not rule out potential investments based on a suboptimal ESG score, but rather works to improve it during the investment period.

The key results of the Due Diligence ESG are incorporated into a document ("Investment Memorandum") presented for review and discussion by the Investment Committee.

In the Infrastructure area, the process is similar, with the difference that the impact criteria, quantified and reported, must be complied with. In the Due Diligence special attention is paid to this aspect, and it is also included in the Investment Memorandum as part of the investment criteria.

Contract formalization

The investment agreement includes the main recommendations from the Investment Committee and the Due Diligence, featuring, as a minimum, adherence to SUMA CAPITAL's ESG policy, the ESG information obligation, and a collective commitment to continuous improvement.

To ensure our influence capacity, the purchase agreement includes the investee's obligation to adhere to our Responsible Investment Policy, as well as SUMA CAPITAL's prerogative to propose ESG actions at the investee that contribute to risk management or the value creation process.

The investment agreement includes the main recommendations from the Investment Committee and the Due Diligence, including, at least, the project's adherence, through the investment vehicle, to SUMA CAPITAL'S ESG policy, ESG information obligation, and estimation of the socio-impact environmental generated by each investment project.

To ensure our influence capacity, the contract that regulates our investment includes a requirement that the investment vehicle adhere to our Responsible Investment Policy, as well as SUMA CAPITAL's prerogative to include ESG clauses in project contracts (pacts with partners, EPC, O&M agreement and other contracts specific to each investment).

Portfolio Management

SUMA CAPITAL works with its investees to define ESG value creation action plans on the issues identified in the Due Diligence phase.

- The incorporation of ESG factors into the management of investees is carried out in a structured way through the application of an action protocol containing a schedule of actions to be implemented during the investment period.
- Among the actions to be carried out are: investees' adherence to Suma's investment policy, the naming of an ESG manager at the investee, the implementation of a criminal compliance program, the development of an environmental policy, and the definition and calculation of ESG KPIs. Along with these actions, which are common to all the investees, we include specific actions drawn from the Due Diligence recommendations.
- The monitoring of the ESG actions is carried out by the investment teams and discussed at investees' Board of Directors meetings.
- Actions and KPI measurements are announced annually in a Report, thereby meeting our commitment to maximum transparency before our investors.

During the post-acquisition phase, at least the following ESG actions will be carried out:

- ESG strategy and action plans for the project, based on SUMA CAPITAL's experience and the recommendations from the Investment Committee and Due Diligence: the action plans include ESG risks management and mitigation strategies. The action plans establish qualitative and quantitative objectives to be achieved during the investment's time horizon.
- ESG Governance: An ESG director will be appointed for the project, assigning roles and responsibilities.
- ESG Policies: the drafting of Environmental, Human Resources, Supply Chain and CSR policies. In particular, the signing of an agreement undertaking a commitment to the environment, and supply chain quality and security, will be promoted; in particular, subcontractors under the umbrella of EPC and O&M contracts.
- Monitoring of KPIs: SUMA CAPITAL undertakes to conduct quarterly monitoring of KPIs and impact measurement, prepared according to its own methodology. Likewise, the KPIs will include those that are specific to the transparency exercise carried out within the framework of the TCFD.

ESG, as an issue, is reviewed at least twice a year at the Board of Directors meeting of the investment vehicle, which will review fulfilment of the qualitative and quantitative objectives established.

In the event of deviation from the established plan, the Council will establish actions to favour the achievement of the objectives set.

GROWTH CAPITAL

SUSTAINABLE INFRASTRUCTURES

Exit

Planning for a successful exit begins before an investment is made.

The strategy agreed to with each portfolio company in the investment stage has a significant impact on its performance and value creation throughout the investment period.

We are committed to allowing changes in the ESG to last beyond the investment period.

We recognize how important it is to add to financial performance an additional kind, the fruit of ESG management. Our systematic management helps us to carry out a qualitative analysis based on metrics gathered over time.

As a result, during the exit period, an internal or external examination is carried out "from start to finish", based on various ESG criteria and focused on measuring the evolution of the main ESG value creation levers.

In the divestment phase, the SUMA CAPITAL team performs a qualitative and quantitative evaluation of the progress made with regards to ESG, especially its social and environmental impact, compared to the initial investment phase.

Likewise, we apply our impact measurement and incorporate it into the project's financial model. This information is incorporated in the divestment documentation to demonstrate the value created by the different ESG value creation levers, with a view to highlighting it for potential future investors.

We seek to attract potential investors who appreciate (or include in their investment policy) the ESG methodology and results incorporated into the project.

We recognize the value generated by ESG value creation levers, in particular those that generate the greatest impact and minimize risks.



III. Transparency and communication

We fulfil our commitment to transparency as a signatory of the Principles of Responsible Investment, and also make a commitment to our investors to regularly inform them of the progress made in ESG-related matters.

This commitment to transparency is followed through on, vis-à-vis society in general, through the annual publication of the UN PRI **Transparency Report**; and, vis-à-vis investors, in particular, in an **Annual Sustainability Report** covering each of our investment strategies, citing all the progress made.

Additionally, SUMA CAPITAL Infrastructure participates in GRESB's transparency exercise, an internationally accepted standard designed to capture information related to ESG and sustainability results for Real Estate and Infrastructure portfolios, globally.

SUMA CAPITAL is also aware that the ESG work carried out at the investee level requires **adequate communication to investors**. Thus, it is proactive in sending information to investors so that they can periodically evaluate the progress they are making in the execution of their own responsible investment policies.

IV. The internal and external promotion of responsible investment

Our consideration of ESG factors is not limited to investment activity alone, but is also present in the way in which SUMA CAPITAL structures its internal governance, relates to its workers, the investment industry, society and the environment.

SUMA CAPITAL is committed to actively participating in the promotion of responsible investment in the investment community, and society in general, by participating, organizing and promoting conferences and events that aim to promote and share best practices related to responsible investment.



