

ESG Report 2021

Environmental, Social and Governance

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2021 at a glance



Dear Stakeholder,

With the remnants of the impacts caused by the pandemic still present, and despite the uncertainty of months dealing with Covid-19 variants, 2021 was a year of unprecedented rise in economic activity in all sectors. Guided by our purpose and investment strategies, which are perfectly aligned with the pillars of recovery in Spain and the EU, we formalized our contribution by accelerating the recovery in our portfolio companies.

As an investment manager, we believe a better world is possible, and our role must be to be at the forefront of the challenge. That is why we commit with our investors, our portfolio companies, and society, to transition to a shared value generation model, in pursuit of generating the highest and most long-lasting impacts possible with our ESG principles on investments. Our efforts were awarded the Best European Investment Manager in the Small Caps category of the ESG Best Practices Honours awards by SWEN Capital, recognizing our work on sustainability assessment and the social and environmental impact of our investments.

Our contribution to fostering energy transition and reducing greenhouse gas emissions led us to join the MES Barcelona programme to support and accelerate the energy transition together with private investors and to progress towards the city's climate neutrality by 2030. We also signed the letter to the G20 leaders of the We Mean Business Coalition, demanding greater climate ambition in the run-up to the Glasgow Climate Summit (COP26).

Regarding purpose-driven ambition, our Infra team successfully completed the divestment of our SCEEF I fund, one of the first energy efficiency themed vehicles in Spain, through the sale of Hinojosa Solar, which is dedicated

to the development of solar photovoltaic projects, and our large District Heating platform, to the French infrastructure fund Vauban. However, the greatest development materialized by the end of 2021 with the launch of our newest impact themed fund, SC Climate Impact Fund III, fully committed to sustainable investing supporting energy transition and circular economy.

At Suma Capital, we are committed to working as responsible investors and guiding our ESG practices through our Responsible Investment Policy and our alignment with the UN PRI principles and the global priorities set in the 17 SDGs. In 2021, we closed our second Growth fund, raising up to €160M to support small and medium enterprises with the potential to contribute to the megatrends of lifestyle, digitalization, and sustainability. During the first half of the year, we materialized our investment in A Contracorriente Films, the biggest independent film distributor in Spain, which manages an extensive and diverse catalogue of over 1500 films and series marketed mainly through cinemas, pay and free TV channels, and streaming platforms, a unique and vertically integrated business model with presence throughout the entire value chain.

The contents of this ESG Report offers an overview of the highlights achieved in 2021 by our investment strategies, along with some of the developments underway in 2022, which will shape the future of the company and our portfolio companies. We are looking forward to developing and sharing our ESG practices with the private capital sector, to continuing to create shared-value with our investors, and to promoting the integration of ESG matters in the business strategies of Suma Capital and our portfolio companies, materializing our motto "growing together".

Warm regards,



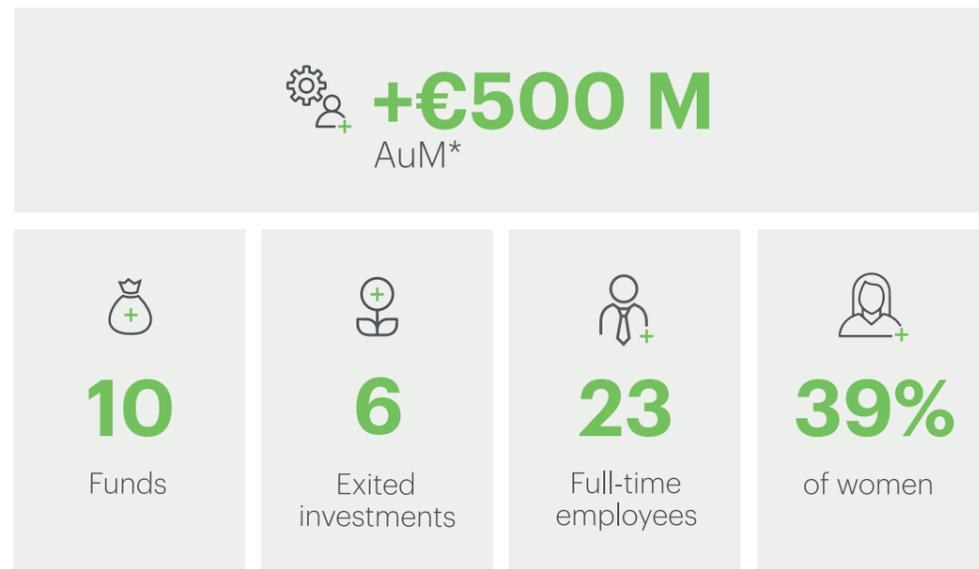
A handwritten signature in black ink, appearing to read 'Enrique Tombas'.

Enrique Tombas, Chairman

Highlights of 2021

KEY FIGURES

Suma Capital

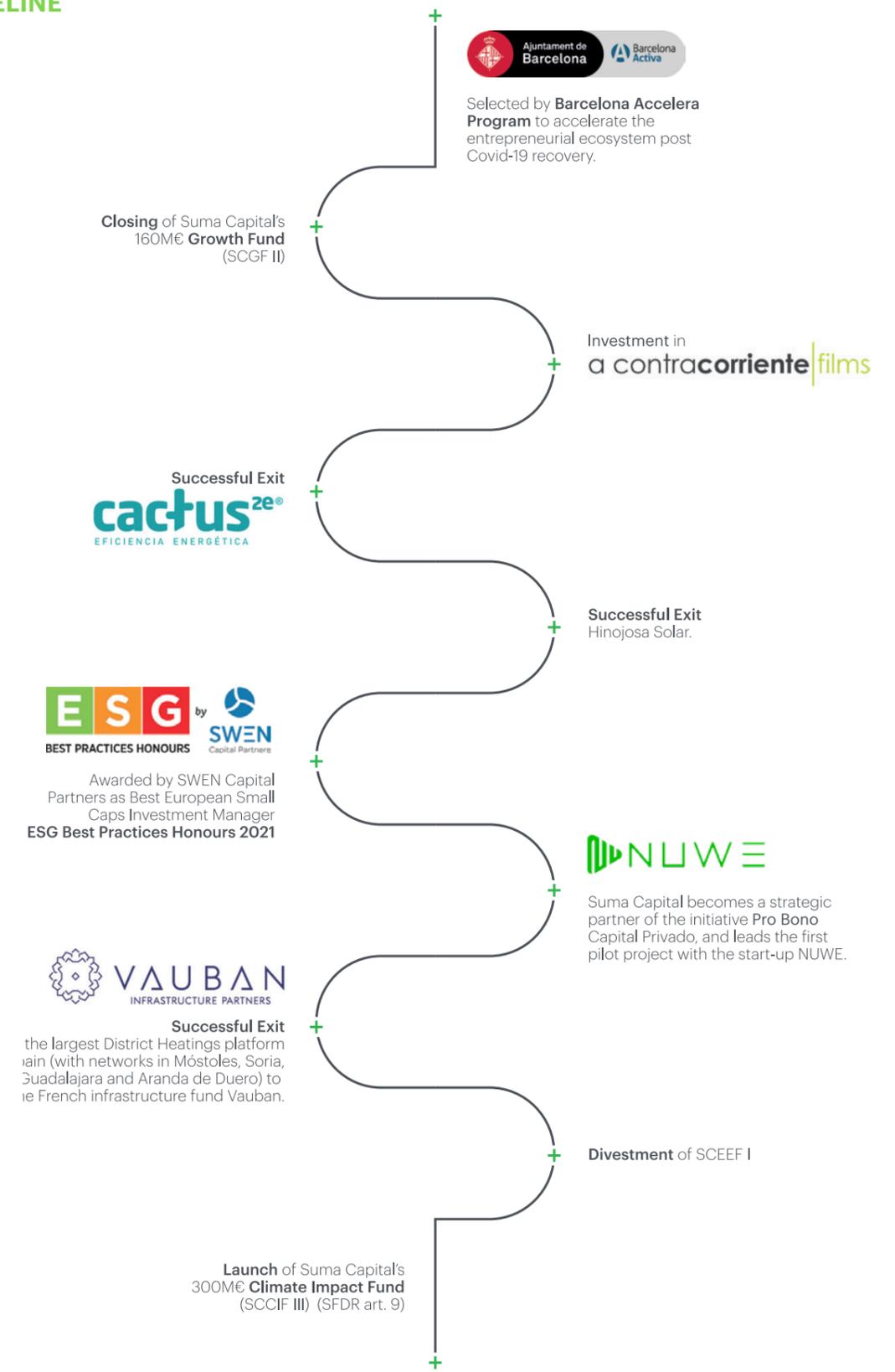


*includes first closing SCCIF III

Growth & Infra Funds



TIMELINE



02

Presentation of Suma Capital



Our values

Our Purpose is a declaration of intentions: “**We commit to build the future we believe in**”, a responsible, sustainable, and inclusive future which 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 for the companies in which we invest, and for their related parties, ultimately benefitting our investors, while we generate positive social and environmental impact.

Our Purpose is grounded in a series of solid values which guide both our long-term strategy and our day-to-day behaviour, the decisions we make and how we work with each other, our investors, our portfolio companies and all our stakeholders.



People



Experience
Passion
Collaboration



Commitment



Excellence
Perseverance
Alignment



Responsibility



Value Creation
Sustainability
Ethics

└ Our investment strategies

Growth investment strategy

Suma Capital's Growth team invests between €5-25M tickets per company, through acquisitions or capital increases, in profitable **lower-mid market organizations** which lead their respective sectors. Suma focuses on businesses which provide **solutions to global megatrends** such as Lifestyle, Digitalisation and Sustainability, and engage with minority and majority stakes, with the aim to partner with founders and entrepreneurs and **provide value-added support to their expansion and growth plans**.

Our investments must have a committed and outstanding management team aligned with the project, eager to carry out an ambitious business plan based on internationalization, industry consolidation and professionalization, and willing to integrate ESG and impact management practices on its operations. Suma Capital's team fully supports the development of the business, participating in strategic decision-making and operations, adding experience, credibility and its ESG value-creation skills. Suma Capital's Growth investments manage over €280M in two funds closed in March 2015 (SCGF I) and June 2021 (SCGF II).



Infra investment strategy

Suma Capital's Sustainable Infrastructure (Infra) team develops a pioneering investment initiative through **infrastructures geared** towards promoting economic activities in **Climate Change Mitigation** through investments in Energy Transition and Circular Economy. Our impact strategy equally considers environmental, social, governance and financial goals, as it is our core belief that sustainable businesses and activities bring long-lasting returns and contribute with **positive impacts** on the environment, the employees, and the local communities, among other stakeholders.

Through our Infra investment strategy, Suma Capital invests between €10-40M tickets in infrastructures or asset-based platforms which contribute to the above-mentioned environmental objectives. We manage our investments through a **partner-minded approach** with all stakeholders, and with specialized and committed technical partners which deploy the best available technologies to improve energy efficiency, use of renewable sources, smart mobility solutions and waste valorisation. Suma Capital's Infra investments manage over €230M in three funds: SCEEF I closed in June 2014 and divested in December 2021, SCEEF II closed in May 2018, and SCCIF III, with its first closing in May 2022.

Responding to our investors needs and concerns

The Covid pandemic, the extreme events caused by climate change and the growing concerns regarding resource scarcity and social and economic inequalities, have accelerated the pace of a global change in the way of doing business. Investors' expectations are rapidly shifting and, as a result, businesses are under higher scrutiny to disclose and improve their ESG impacts.

The private capital sector urgently needs to respond to these global challenges, demonstrating to investors that it can build resilience to future shocks, and to society that it is committed to long-term, sustainable value creation and a decarbonised economy.



“Our approach to investing has always been driven by the principles of transparency and integrity towards our investors, always building strong relationships which enable us to achieve our long-term goals.”

Begoña Mata
CFO & IR

Our investor base is formed by a diversified group of Spanish and international institutions, including public institutions, insurance companies, pensions funds, financial institutions, as well family offices which support our long-term goals and with whom we have developed a strong and long-standing relationship.

- Our investors are our clients, so our relationship with them drives our business.
- We are committed with our investor base on ESG matters to better understand their concerns and priorities, and actively address them.
- Transparency is key, so we provide transparent and periodic information on how we conduct business and perform on ESG.



ESG Best Practices Honours 2021

SWEN Capital Partners awarded us the Best European Investment Manager **ESG Best Practices Honours 2021** in the Small Caps category. The prestigious award presented by the French investment firm recognize the best European responsible investment initiatives based on ESG (Environmental, Social and Governance) criteria, focused on sustainability assessment and the social and environmental impact of the investments made. Enrique Tombas, our Managing Partner, and Begoña Mata, CFO & IR of the firm, accepted the award at the ceremony in Paris.

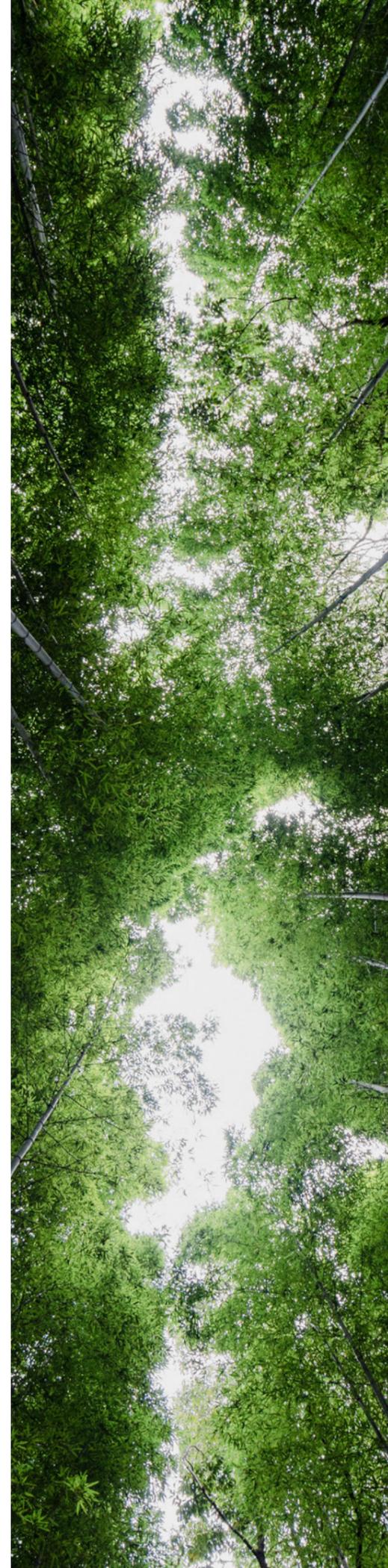
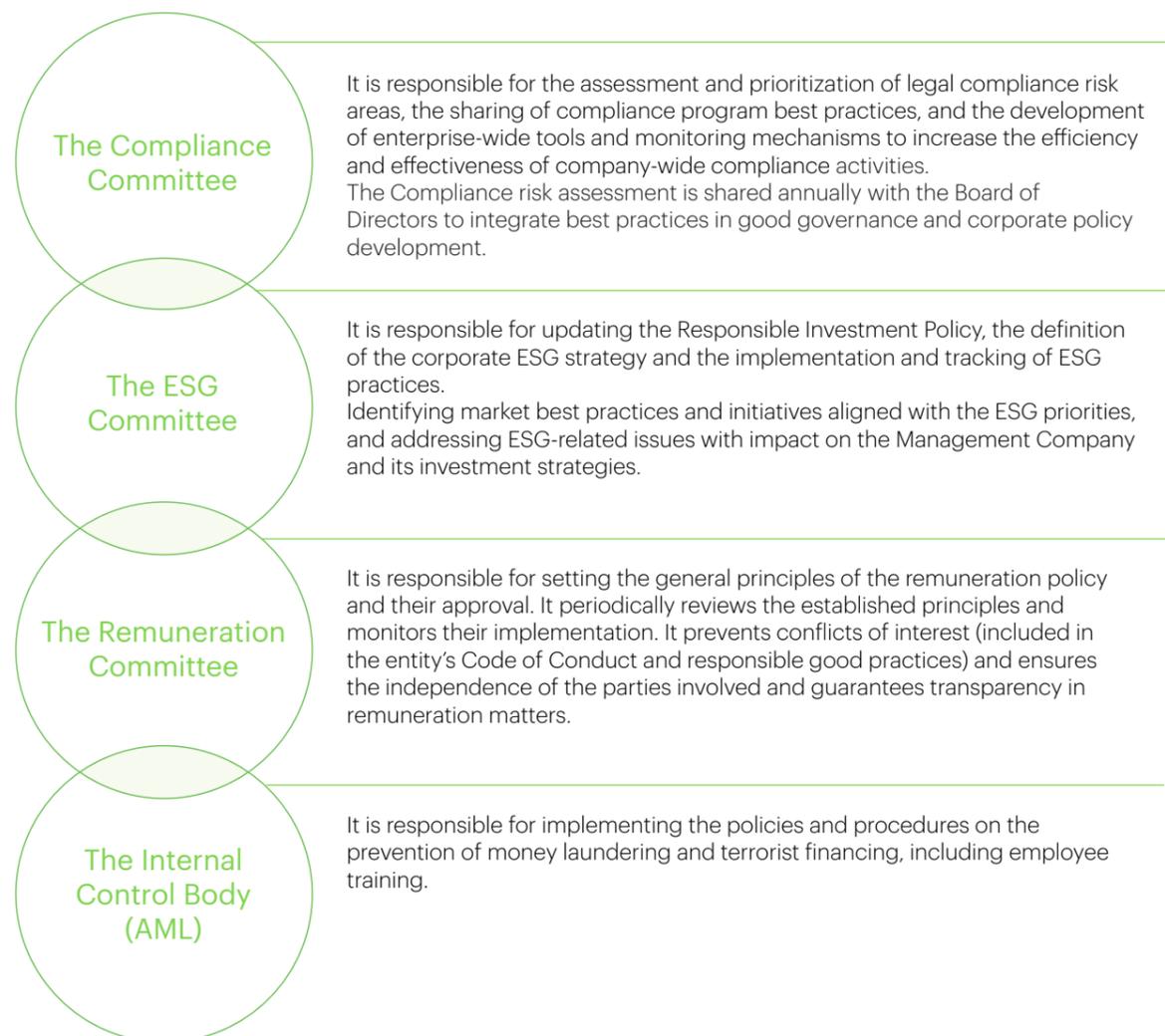


Corporate Governance and Integrity

The transparency of corporate governance processes is of great importance for Suma Capital, and forms part of the belief that companies of the future will approach the decision-making process based on their impact on society and the environment. A structured approach to corporate governance is a prerequisite to achieve the SDGs and the global challenges.

We understand that the set of rules, practices, and processes by which we manage our firm, including the application of our code of ethics, are the guarantee of sustainable growth in the medium and long term, and the tools to strengthen the confidence of our investors, attract talented professional and align with our stakeholders' expectations. Therefore, we have implemented a structured corporate governance to ensure the implementation and enforcement of our policies, ensure transparency of our decision-making bodies and the maintenance of an ethical working environment.

The Board is supported by four committees:



All employees receive continuous training on regulatory compliance and Suma's internal policies, not only to ensure our compliance, but to raise awareness in our team of the company policies which govern our activity and which contribute to the attainment of our purpose and the materialization of our values in our daily practices.



Compliance Policy



Compliance Programme



Code of Conduct and responsible good practices



Whistleblowing Channel



Compliance training, including anti money laundering, anticorruption and fraud and data protection



"Good governance management leads to enhanced long-term financial returns, better investment decisions and a closer alignment of objectives among investors, stakeholders, and society at large. Acting with integrity is much more than protecting the company's reputation; we believe it's about providing and maintaining a place where everyone is proud to work."

David Arroyo
Founding Partner

ESG Leadership

Suma Capital is fully committed to the development and integration of best-in-class ESG practices into the Spanish private equity ecosystem and into the SMEs which make a substantial contribution to quality employment, equality, innovation, digitalization, sustainability, and the creation of value to society. We constantly seek to improve our own practices and methodologies and those of our portfolio companies to maximise our impact.

Among our most outstanding contributions, in 2021 Suma Capital was awarded the **ESG Best Practices Honours 2021** in the Small Caps category by **SWEN Capital Partners**, participated in the foundation of the **Diversity Club** roundtable to promote diversity in the private capital sector by ASCRI (since May 2022 SpainCAP), and reviewed our **Responsible Investment Policy** and internal procedures to adapt them to the latest EU regulations and requirements on sustainable investments and ESG risks evaluation.

Transition to a mature ESG Governance

The increasing importance of ESG Governance for General Partners, and the need for additional supervision on ESG factors and management practices across our portfolio of companies requires the allocation of full-time resources to maintain our leadership position.

Due to the growing interest of LPs and the new pressure of ESG disclosures and investing regulations, Suma Capital decided to hire a senior ESG practitioner to strengthen the core capacities of the Management team, to build up the ESG internal processes and reinforce the value-generation strategies which helped our portfolio companies and Suma achieve market recognition. The new Sustainability Manager joined the Suma team during Q1 of 2022.



Annual event to accelerate sustainable investment

The challenge of sustainability in the next decade

Suma Capital and E5T Foundation held our third annual meeting in Barcelona to accelerate sustainable investment under the title “**The challenge of sustainability in the next decade**” which brought together more than 150 professionals from various sectors to discuss the challenges of sustainable development and the essential factors to achieve it, such as innovation in the field of the circular economy, its impact on business organisations, and new forms of mobility.

The event included participants from Greenpeace, Santander Asset Management, Grupo Pascual, Silence, Circoolar and the ESADE Centre for Social Impact.

Overall, the meeting concluded that moving towards sustainability will require a collective commitment from companies to assume their share of responsibility as part of the solution to the challenges sustainability poses, and to act forcefully in the role they play for the common good, and for the construction of a more sustainable, fairer, and more inclusive future.



Adoption of new ESG requirements

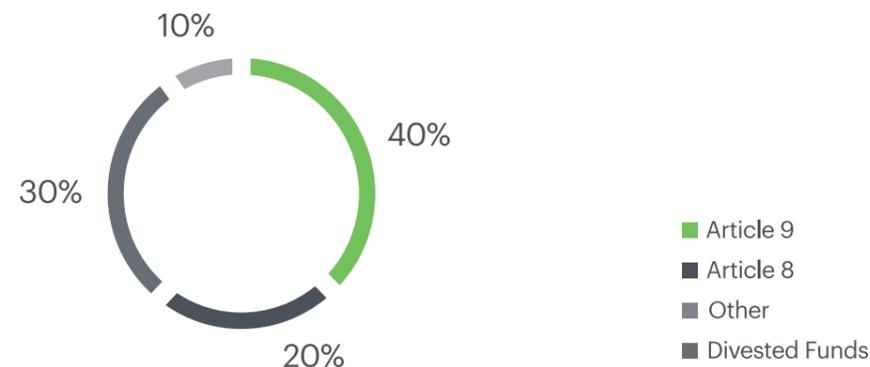
On the 10th of March 2021 the SFDR regulation level 1 package came into force, changing the sustainable investment environment for the better, providing a common understanding of the integration of ESG risks on investment strategies of asset managers, establishing new transparency and reporting obligations, and defining sustainable investments and their contribution to environmental and social objectives.

Additionally, the publication of the Climate Delegated Act of the EU Taxonomy Regulation provided a complete list of common rules on how to define sustainable economic activities which contribute to the mitigation of and adaptation to climate change. Although the Environmental Delegated Act, which contains the sustainable activities which contribute to the rest of the EU Environmental objectives, is yet to be published, the current regulation sets the standard for our sustainable infrastructure investments and our focus on energy transition and circular economy assets and infrastructures.

Suma Capital's alignment with EU Taxonomy objectives



Our focus on sustainable investments and our active contribution to the SDGs is without doubt. Nevertheless, becoming one of the first private equities to classify under article 9 of the SFDR a fund in Spain (Suma Capital Climate Impact Fund III - SCCIF III) was an outstanding achievement. However, this is just a fraction of all our efforts to fully align our active funds with the new sustainable investment framework. Our fund portfolio classification as of end of 2021 was:



*Includes SCCIF III, approved by the CNMV in March 2022 and first closing in May 2022, and SCEEF II with approval underway.

Approach to UN SDGs

Since 2015, the United Nations Sustainable Development Goals (SDGs) have helped governments, NGOs, and enterprises of all kinds to pursue a set of common objectives, which will ultimately lead to sustainable development and the improvement of people's lives around the globe. At Suma Capital we committed to these ambitious goals and decided to align our investment strategies with the various megatrends which address these SDGs. In our Responsible Investment Policy, we have matched our investment themes with our SDG priorities to illustrate our ambition towards generating impact through our investments.

Our SDG alignment not only allows Suma Capital to identify potential contributions, but also to better understand the transformation and impact footprint which our investments can generate on the business ecosystem, its employees, the environment, and society. Our efforts to achieve the SDGs will contribute to effective sustainable development, ensuring the future for following generations.

	Macro Trends	Investment Themes	SDGs
SC Infra	Energy transition	Renewables Energy Efficiency Mobility	3 GOOD HEALTH AND WELL-BEING 6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Circular economy	Waste to Energy Waste to Resource Water Cycle	13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS
SC Growth	Lifestyle	Health Food Education Leisure	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES
	Digitalisation	Industry Trade Services	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Sustainability	Responsible Consumption Climate Change Integration/Divestity	

Our Progress on TCFD implementation

Climate change is to become one of the greatest challenges which the business sector will have to deal with in the present and in the coming years of investment management. The complexity, global scale and diverse nature of its effects and impacts could threaten the way we work to create value, the reason why at Suma Capital we decided to integrate climate change risks and opportunities identification, assessment, and management into our investment strategies. Our understanding is that both mitigation and adaptation strategies are needed to succeed in a more sustainable business environment, which will offer higher and long-lasting returns.



Our vision made us pioneers in Spain in 2014 with the first fund focused on energy efficiency, SCEEF I, and continued with one of the first Impact funds in Energy Transition and Circular Economy investing in sustainable infrastructures, our SCEEF II. As a result, we have developed a deep understanding of the financial materiality and the investment opportunities arising from the mitigation of climate change. To ensure an effective integration, in 2020 we became signatories of the **Task Force on Climate-related Financial Disclosure (TCFD)**, and have been improving our processes following its recommendations, including the latest update of recommendations and metrics, and the sector guidance for Asset Managers of October 2021. Overview of the status of implementation at the end of 2021:

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organization's governance around climate related risks and opportunities	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Describe the board's oversight of climate - related risks and opportunities.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Describe the organization's processes for identifying and assessing climate-related risks.	Disclose the metrics used by the organizations to assess climate-related risks and opportunities in line with its strategy and risk management process.
Describe management's role in assessing and managing climate - related risks and opportunities.	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Describe the organization's processes for managing climate-related risks.	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
<ul style="list-style-type: none"> ● Implemented ○ In progress ● To be initiated 	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

We Mean Business Coalition

Suma Capital supported the **business sign-on letter to G20 leaders** of the **We Mean Business Coalition**, demanding greater climate ambition from the G20 country members in the run-up to the Glasgow Climate Summit (COP26) to pursue the objectives of the Paris Agreement, which limits global warming to 1.5°C. The letter highlighted as priorities the unlocking of regulatory barriers for the reduction of emissions, the promotion of transport electrification and the extensive use of renewable energies, and a request for

Covid-19 public recovery funds allocation to be directed towards climate action, green infrastructure and disclosure of financial information on climate risks, opportunities, and impacts.

The **We Mean Business Coalition's** primary goal is to drive collaborative leadership to solve the climate crisis, catalyzing action at the business and political levels to cut emissions by half by 2030, and to accelerate an inclusive transition to net zero global economy by 2050.



Transparency

Our leadership and pioneering performance in the Spanish market has always been supported by our transparency, and the understanding of it as a pillar to create a trustworthy, responsible, and sustainable organizations.



Since 2013 we have been signatories to the United Nations Principles for Responsible Investment (UN PRI) and have worked intensively on the implementation of the principles and guidelines through our investment strategies, portfolio management and divestment process, as well as within the management practices of Suma Capital. Today the integration of ESG matters into our investment decisions, and our active exercise of ownership, are an integral part of Suma Capital's fiduciary duty. Our approach has been awarded by UN PRI for two consecutive years with the maximum rating, A+, in all modules of the questionnaire: Strategy and Governance, Direct Private Equity and Infrastructure. At the time of the publication of this report, UN PRI had not yet published the 2021 results, due to the delay caused by the change in the scoring methodology and framework, and the technical issues which occurred with the reporting platform during the reporting period.

	2019	2020
Strategy and Governance	A+	A+
Private Equity	A+	A+
Infrastructure	A+	A+

Our purpose of building the future which we believe in is clear, but it is not limited to the signatory commitment; we extend it via training our team on assessing and managing ESG risks and opportunities, engaging with our investors and portfolio companies on ESG performance and strategy, and supporting sector initiatives to develop ESG standards and market practices.

Annual Reports & Fund Reports

Guiding the sector on transparency is a huge effort for our team and our portfolio companies, but it is a position which we will continue to pursue in the following years. Not only do we make our Responsible Investment Policy and our public commitments available on our website, but we also share our latest ESG Annual Reports and Impact fund Reports, ensuring that all our stakeholders are up to date on our most recent ESG developments and contributions.

Annual ESG Reports



Annual Impact Reports



Responsible Investment Policy (updated 2021)



Reporting on the Impact of our investments

Impact investing is becoming an opportunity for the private equity sector to demonstrate that sustainable returns can also provide long-lasting positive impacts on the environment and the society, multiplying the overall return of the investment. As pioneers in impact investing in energy efficiency and sustainable infrastructures, Suma Capital developed an Impact Measurement & Valuation methodology to evaluate traditional environmental and social impact metrics (CO2 avoided, primary energy saved, generation of employment, etc.) into monetary values, allowing investors' comparison and balancing between financial, social and environmental returns.

The SEROI methodology (social and environmental return on investment), co-developed with the global consultancy firm PwC, has allowed us to quantify in economic terms the externalities which usually leak into traditional financial and ESG performance valuation, and integrate the avoided impacts through the lifetime of the investments into our return-on-investment modelling.

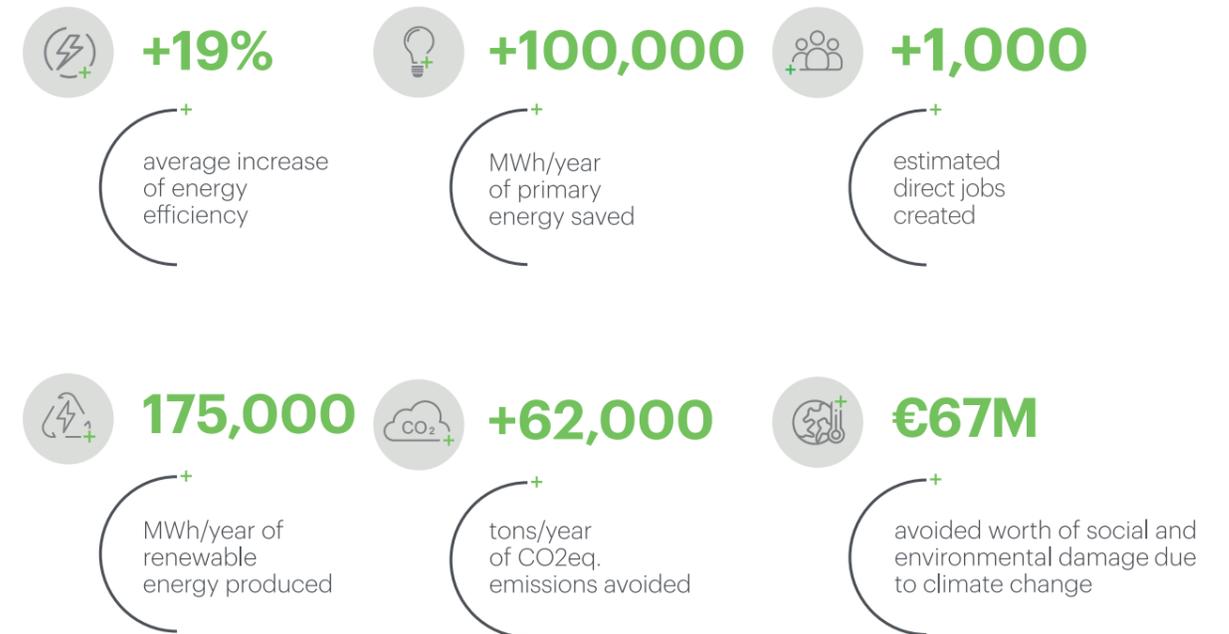


“Measuring and managing social and environmental impacts is becoming increasingly relevant for our investors, who expect positive impacts on the territories, communities and economies where we engage with our investments, impacts which last even after our exit.”

Pablo de Muller
Founding Partner



Since 2014 we have been making public the social and environmental contributions of our funds through our annual Impact Reports, being transparent and accountable to our stakeholders. An example of our success as Impact investors is our SCEEF I fund, divested in 2021, and its contribution to energy efficiency and climate change mitigation through its social and environmental impacts:



Our extensive expertise and continuous development allowed us, in December 2021, to launch our latest fund, the **SC Climate Impact Fund III (SCCIF III)**, which will strengthen our position as impact investors on sustainable infrastructures aligned with EU Taxonomy and EU environmental goals for Climate Change and Transition to a Circular Economy.

The fund will be supervised by an **Impact Committee**, composed of external impact experts who will perform an independent assessment of the expected impacts to be achieved by the Fund investments. The Committee will define a series of impact targets and key impact indicators (KII) and overview their annual performance. Suma Capital's 25% of the carried interest will be linked to the accomplishment of the defined impact targets and metrics.

03

Our approach to ESG

+ Our Responsible Investment Policy

Our team is committed to continuously implementing our **Responsible Investment Policy**, through the promotion of sustainable practices and the integration of ESG material matters on our portfolio companies' strategy. In our two different investment strategies we ensure ESG best practices are implemented during the whole investment cycle, identifying the most appropriate approach to ensure an active engagement and the generation of positive impacts on our portfolio companies. Our team follows a set of internal policies, investment manuals and corporate targets to maximize the ESG value of our portfolio companies.

At Suma Capital we are constantly reviewing and upgrading our ESG integration framework to implement the best practices and the latest ESG developments in our investment process, ensuring that our differential approach helps our portfolio companies capture the added value ESG can generate on their organizations.





	Origination	Due Diligence	Investment Decision	Agreement	Portfolio Management	Exit
SC Growth (ESG integration)	<ul style="list-style-type: none"> Review potential investment is not included in the exclusion list of the World Bank's International Finance Corporation (WB IFC) and of the European Investment Bank (EIB) Review reputational grade (human rights and ethical integrity) 	<ul style="list-style-type: none"> External and independent ESG DD Materiality analysis on ESG risks and opportunities (inc. Climate Change) Short and long term ESG Plans 	<ul style="list-style-type: none"> Investment Committee review ESG DD conclusions Identification of potential improvements on ESG scores ESG summary included in the Investment Memorandum (IM) 	<ul style="list-style-type: none"> Commitment to adhere to Suma Capital's Responsible Investment Policy Reserve capacity to propose ESG actions Implement ESG action plans ESG information obligations 	<ul style="list-style-type: none"> Approval of ESG strategy, targets, and goals Company ESG training ESG tracking of our portfolio along its financial performance Engage with the Management process ESG plans and ESG metrics reviewed at Board level 	<ul style="list-style-type: none"> ESG value-creation report, included in Exit Memorandum Divestment process identifying exit investors which will continue developing the approved ESG roadmap, extending our impact on the portfolio companies
SC Infra (Impact on ESG)	<ul style="list-style-type: none"> Review potential investment is not included on the exclusion list of the WB IFC and the EIB. Positive contribution to social and environment impacts Comply with impact investment criteria on energy transition and circular economy Comply with EU Taxonomy regulation 	<ul style="list-style-type: none"> ESG internal review of all phases of the project's lifecycle, including supply chain screening EPC and O&M supplier ESG screening Materiality analysis on ESG risks and opportunities (inc. Climate Change) Short and long term ESG Plans 	<ul style="list-style-type: none"> Investment Committee review ESG findings ESG summary included in the IM Compliance with impact management criteria 	<ul style="list-style-type: none"> Commitment to adhere to Suma Capital's Responsible Investment Policy Information undertakings included in the Investment Agreement Inclusion of ESG clauses in the EPC and O&M contracts Implementation of material ESG Policies for the entity 	<ul style="list-style-type: none"> Approval of ESG strategy, targets, and goals (including climate change risks mitigation) ESG tracking of our portfolio along its financial performance Engage with the Management process ESG metrics reviewed at Board level 	<ul style="list-style-type: none"> Qualitative and quantitative assessment of ESG progress Impact valuation at exit Divestment process focused preferably on ESG-centred infrastructure buyers
SC ESG Governance	<ul style="list-style-type: none"> ESG Champion 	<ul style="list-style-type: none"> External advisor Investment team ESG Manager 	<ul style="list-style-type: none"> Investment Committee (incl. ESG Manager) 	<ul style="list-style-type: none"> Investment partner Investment team ESG Manager 	<ul style="list-style-type: none"> Investment team ESG Champion ESG Manager 	<ul style="list-style-type: none"> Investment Committee (incl. ESG Manager)

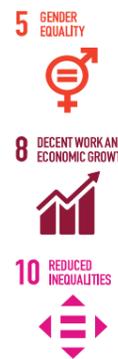
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Responsible culture

Our Team

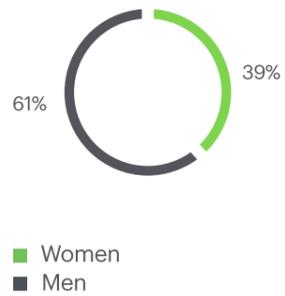
People are the most important asset at Suma Capital, and so is diversity and plurality, equal opportunities, non-discrimination on any basis and workplace inclusion; all priority strategic factors in the organisation and part of Suma's core values.

We are convinced that ensuring a level playing field of opportunities and fostering a culture of inclusion builds stronger, more innovative, and more successful organisations. Diversity in experiences, knowledge and skills, and perceptions is crucial for our decision-making ability and our business success.

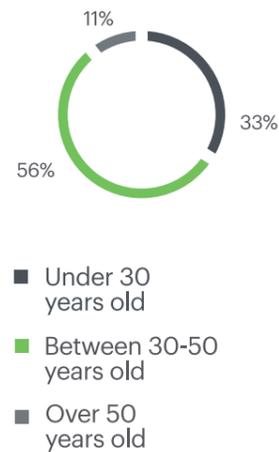


In 2021, we increased the percentage of females from 27% in 2020 to 39%, and 80% of our new hires were women. While this is positive progress, diversity and plurality continue to be a key focus in 2022 and beyond.

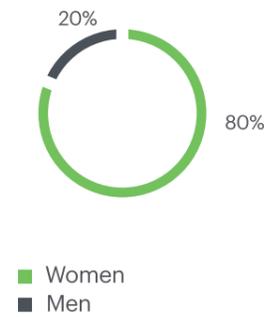
EMPLOYEE DISTRIBUTION BY GENDER



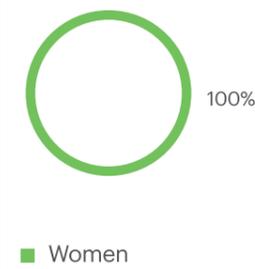
EMPLOYEE DISTRIBUTION BY AGE RANGE



NEW INCORPORATIONS



COMMITTEES WITH WOMEN MEMBERS



Along these lines, in 2021 we strengthened our commitment by promoting the hiring of talented female professionals and engaging in diversity forums and initiatives, such as Level20, and the publication of our Diversity Policy, available on our website since 2020. All these initiatives reinforce our contribution and promotion of the SDGs implementation in the private capital sector.



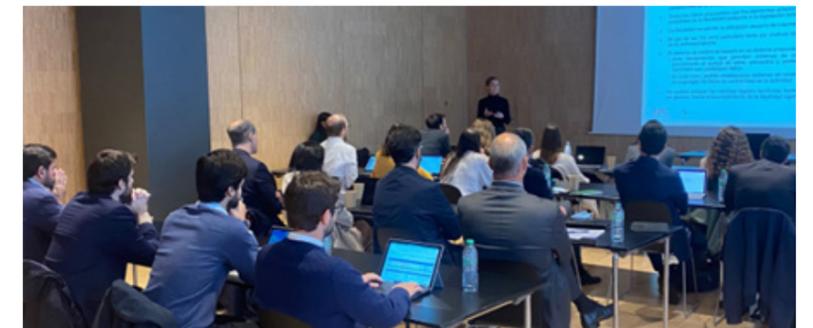
The promotion and retention of women in our sector has been one of our key objectives for the year, through participation in mentoring initiatives with Level20 and Ship2B Foundation, and in the Diversity Club roundtable of SpainCAP, dedicated to improving diversity, parity, talent and gender equality in the private capital sector, while making these ESG aspects become strategic components in the transformation of companies and organizations.



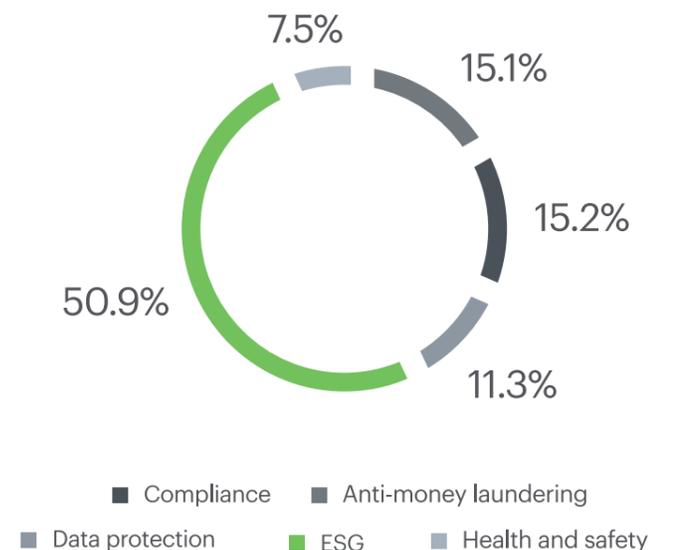
Training and development

At Suma Capital we have a strong commitment to talent retention and continuous professional development, aligned with our rewarding culture. To this end, continuous training, both in the values which govern our business and in the best practices and regulatory requirements of the sector, is an essential practice.

Ensuring that all our employees are trained in areas such as ESG international frameworks or impact, security procedures, regulatory issues and developments, or internal processes is a prerequisite to ensure the success of sharing and learning experience across the firm.



To achieve this, we annually define a training plan which responds to our employee's business needs and expectations, while our new employees perform an on-boarding program with an annual update on the most relevant subjects, including training on our ESG management approach and strategy. In addition, specific training programmes are offered to professionals in each investment area which also contribute to their professional development. Our team performed more than 300 hours of professional training during 2021:



Community impact

Suma Capital considers business as a lever to transfer positive impacts on our environment, communities, and people. For this purpose, our team is constantly engaging with opportunities to increase our impact on our local communities and the environment and to maximize our contribution as an organization and as a team.

Donations

At Suma Capital we engage with various organizations to promote social impact and work towards the reduction of inequalities. Our team is very committed to volunteering activities as well as economic donations. In 2021 Suma Capital donated 2% of its profits to several organizations. Following some examples:



Caritas is the official confederation of charity and social actions belonging to the Catholic church in Spain. Caritas promotes the development of people, particularly the poor and excluded, from society. Caritas is taking action to reduce inequalities and guarantee access to decent housing as the impact of Covid-19 and the contraction of the labour market has increased the vulnerability of many families. Only in Catalonia more than 1,000 households were supported by Caritas in 2021.



At the Pere Tarres Foundation, they work for the education of children and young adults at risk of social exclusion through leisure activities to promote their personal development, their emotional well-being, and the acquisition of learning skills, in more than 200 adhered schools and for over 20,000 infants. Suma Capital also collaborated through the Christmas campaign of the Magic Kings, collecting toys, sport equipment and materials to provide the increasing needs of the Socioeducational Centre of the Raval in Barcelona.

AYO-Attalea: Mentoring NUWE

As a strategic partner with the Fundación AYO and the consulting firm Attalea Partners, Suma Capital joined the project "Pro Bono Capital Privado" an innovative program which connects projects with social impact to relevant actors in the Private Capital market. The investment and restructuring firm NK5, and the Spanish Association of Capital, Growth and Investment, SpainCAP, also partnered the initiative.

Suma Capital led the pilot project with the start-up NUWE, a videogame-based recruitment platform which aims to reduce the lack of talent in the technology sector and democratise its access. This is achieved through a disruptive process of gamification assessments which focuses on the identification and evaluation of the candidates' skills.

Prioritizing abilities and knowledge instead of diplomas and schools of reference allows talented candidates from different social and economic backgrounds to access our recruitment process. For 4 months, NUWE received support from Suma Capital to improve its business plan and financial projections, as well as its communication and investment pitch.

The initiative together with SpainCAP launched in July 2022 a new call to invite fund managers to join the program. Participants will advise and promote projects of entities with social impact that have been previously selected by Fundación AYO and its support program for social entrepreneurship.

“The project has allowed us to have a global vision of what the process of fundraising is like in the initial phases of a start-up, to get the best possible deal, helping us to improve our financial plan, and to professionalize our presentations. We are very grateful, and we recommend it to any entrepreneur who wants to start a financing round.”



Carbon Footprint

Suma Capital's contribution to Climate Change mitigation starts at how we manage our impacts, and for this reason in 2020 we committed to the 2020 – 2025 Green Plan, which targeted the achievement of an average annual reduction of 5% in CO2 emissions by the end of the period. The global pandemic had an impact on our routines, causing a major reduction in our corporate emissions due to the decrease of business travel. Despite the increase of activity in 2021, we are still well below the baseline year and accumulate a reduction of +30% of our carbon footprint, compared to pre-Covid emissions.

To progress on our target, we have been analysing various initiatives to increase energy efficiency in our offices, purchasing guarantees of origin from renewable producers, extending the use of videoconference systems, or searching for more sustainable transport options such as the use of trains instead of planes, among others.

	2019 (tCO2 eq.)	2020 (tCO2 eq.)	2021 (tCO2 eq.)	% EV. 19-21
Scope 1	1.84	0.33	2.0	9%
Scope 2	7.48	4.73	0.00	-100%
Scope 3	24.18	15.38	21.02	-13%
Total	33.50	20.43	23.02	-31%
% Compensated emissions	100%	100%	100%	

In addition, we have been a **Carbon Neutral** company since 2019, meaning that all emissions we are not yet able to reduce are compensated through the UN's Climate Neutral Now initiative. For the second consecutive year, we decided to support the redevelopment of the Tana Hydro Power Station Project (Kenya), which aims to rehabilitate the existing hydroelectric generation plant using the existing water transmission system, generating a positive social and environmental impact aligned with our values.

The project will reduce about 25,680 TnCO2 per year, foster business opportunities and direct employment on local population, improve the local economy by reducing dependence on fossil fuels and provide clean a energy supply to the electricity grid. The project is accredited by the Certified Emissions Reduction and supervised by the UNFCCC

Our commitment to calculate, reduce and compensate our carbon footprint follows the directives of the voluntary register of Carbon Footprint of the Spanish Ministry for the Ecological Transition and Demographic challenge. We annually register and validate our emissions and reduction plans, supporting the national target of reducing emissions in line with the Paris Agreement and the business ambition of limiting global warming to 1.5°C.



Events and activities



Barcelona Accelera program

Suma Capital was chosen to form part of **Barcelona Accelera program** to accelerate the city's entrepreneurial ecosystem and the post Covid-19 recovery. Investments will be focused on the strategic sectors established in the 2020-2030 economic agenda of the Barcelona City Council: green and blue economy, digital economy, creative industries, industry 4.0, health, sport and food. More than 1,500 start-ups which create over 16,900 jobs are present in Catalonia, which have attracted nearly €2.8 billion in private investment only in the last five years. The whole Suma Capital team is committed to helping promote these companies, which are a key driving force for innovation, attracting talent, foreign investment and to reinforcing the positioning of the city of Barcelona as a digital and entrepreneurial capital.



MES Barcelona

Suma Capital has joined the MES Barcelona, the **Mechanism for Sustainable Energy of Barcelona**, which aims to support and accelerate the energy transition together with private investors, prioritizing the production of photovoltaic energy in the city, with the aim of becoming part of the EU Mission Climate-Neutral and Smart Cities 2030. The Smart Cities 2030 initiative, promoted by the European Commission, aims to reach a total of 100 smart and climate-neutral cities by 2030, ensuring that they act as centres for experimentation and innovation to allow all European cities to do the same by the year 2050. At Suma Capital we are convinced that public-private collaboration is a crucial element for promoting the necessary energy transition and reaching climate neutrality.



Mobile World Congress and Foment del Treball

As part of the celebrations for its 250th anniversary and its partnership with the Mobile World Capital Foundation, Foment del Treball Nacional held the **Innovation and Scalability for New Generations** meeting on a stand at the Mobile World Congress (MWC). The meeting was structured in two thematic panels focused, first, on the challenges and opportunities for the new generation of innovators, and secondly, on **financing as a lever for growth**. The main conclusion reached was that in recent years the financial ecosystem of the city of Barcelona has managed to expand and organise itself, establishing many similarities with the one operating in Silicon Valley, thanks to the support for financing solutions beyond traditional business angels, allowing entrepreneurs to concentrate on empowering innovation and on developing their business ideas.



Ship2B Impact Forum – The real transformation

Suma Capital participated on the **VIII Ship2B Impact Forum**, one of the most relevant events in the Impact Economy and Impact investing ecosystem held in Spain. For 3 days, more than 5,000 participants joined the roundtables, networking, and corporate stands of the more than 140 organizations which shared their impact value proposals and future challenges. As a Partner of the event, Suma Capital supported the organization and the Ship2B Foundation, and participated actively by sharing our experience on impact investing and impact valuation.

05

ESG at our portfolio



Contribution to our key SDGs

Suma Capital is integrating the SDGs Compass methodology to assess and maximize its contribution to SDGs. By identifying high-impact activities, sectors, and the underlying megatrends, we are helping our portfolio companies to better understand where their true impact value lies and how they can maximize its positive returns through SDGs.

A summary of the active contributions and alignment of our portfolio companies to various SDGs is described as follows:

SCGF I

	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Alucan Turris Germans Homs Grand Voyage Caher Trade INN Party Fiesta	43 %	100 %	29 %	58 %	43 %	86 %	100 %	100 %

SCGF II

	4 QUALITY EDUCATION	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Implika NPAW A contracorriente films	33 %	66 %	100 %	100 %	33 %	33 %	100 %	100 %

SCEEF II

	3 GOOD HEALTH AND WELL-BEING	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY INNOVATION AND INFRASTRUCTURE
Cooltra Inversión Motos Efficiency & Environment Infrastructures II	100 %	43 %	100 %	100 %	100 %
	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	17 PARTNERSHIPS FOR THE GOALS
SC Valorizaciones Agropecuarias SC Zero Waste Energy Qoichi 1 SC Gases Renovables Anoltri Invest	14 %	100 %	100 %	57 %	100 %

Our priority SDGs have been identified following the directives set in our Responsible Investment Policy and the impacts to which our two investment strategies can contribute. The analysis performed includes the alignment of all our portfolio companies, from which have defined a series of KPIs, targets and goals to achieve and maximise its impact on business, people, and the environment, contributing to the fulfilment of Suma Capital's purpose.

ESG Case Study - Growth Fund

Homs Rentals

Homs Rentals is a leading short- and medium-term machinery rental company operating in the north-east of Spain, for refurbishing, construction, events, industry, and small professional works industries as well as the B2C ('DIY') market. The company has an innovative value proposition based on the pay-per-use model for an old-fashioned industry such as construction and refurbishing, allowing for better management of the occupation and use rates of machinery and reducing the inefficiencies of old and poorly maintained equipment. The core purpose of the company is to promote the shared use of machinery and construction equipment, multiplying the efficiency in costs and materials compared to the traditional acquisition model. The high regional penetration of the company provides an added proximity value proposal and efficient customer service, two of the most valued attributes of the company by its clients.



2021 Key figures and progress



Suma Capital's Investment Strategy

Homs Rentals is fully aligned with Suma Capital's Responsible Investment Policy, and our key principle of being active owners and participating in the integration of ESG on the company value proposition. The company provides solutions for 2 of the macro-trends identified in Digitalization and Sustainability in the industry and services sector, and has been able to multiply its impact in the territory through acquisitions of players in other regions or other business segments such as events and industry, which could multiply its offering. The investment allows Suma Capital to accompany Homs Rentals in the development of innovative solutions and service proposals to reduce the negative impacts of the sector operations on the environment.

ESG integration strategy

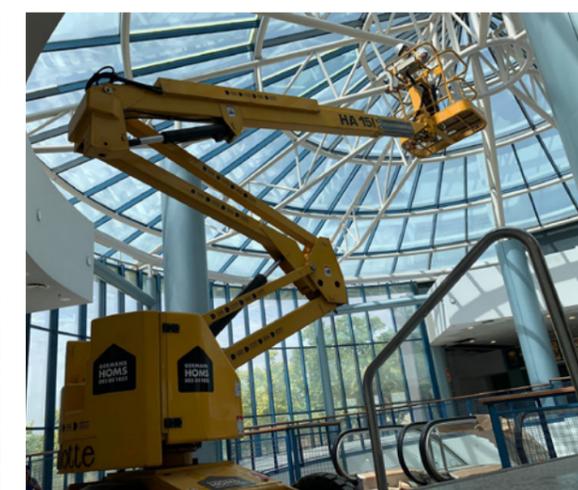
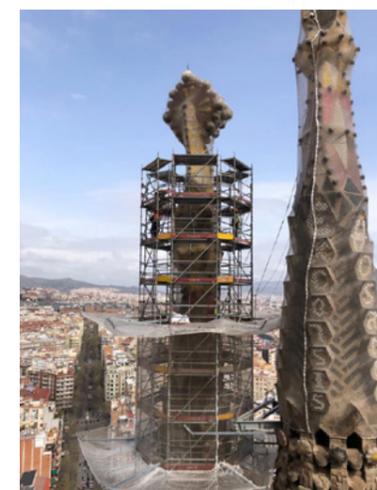
Through our presence on the Board and the direct engagement with the founding partners and the Management team, we have helped the company identify its major ESG risks and opportunities and developed a plan to review its value proposition with a focus on its contribution to circular economy, energy efficiency and GHG emissions reduction.

Among the actions implemented, the company has started to renew its fleet with eco-friendly vehicles, promoting more efficient mobility, and has defined an ambitious machinery renewal strategy which will allow the company to offer fully electrified and efficient equipment to its clients, contributing to reducing the emissions of fuel-based equipment and the recycling of the oldest machinery. The aim of this electrification plan is to contribute to more sustainable cities and construction works, reducing the negative impacts caused by emissions, noise, and fuel consumption in city centres while transitioning to a decarbonized economy, thereby supporting the fight against climate change.

Additionally, the company is also transforming the construction sector with a unique digital experience which allows its clients to perform all transactions and requests through their e-commerce platform, fostering transparency and accessibility, and the change to paperless invoicing. Additionally, all machinery User's Manuals are digitalized and accessible through QR codes affixed to the equipment, increasing the accessibility and integration of digital culture within its clients. The differential value of Homs Rentals has been positively recognized by Sagrada Familia, which selected the company to become the reference supplier in scaffolding and structures.

Suma Capital has actively participated in the Quarterly Compliance Committee together with top managers and an external advisor, with the aim of being pioneers in the sector by embracing regulatory changes involving not only the whole staff but also the company value chain (main customers and all suppliers).

At the end of 2021, the company started a rebranding project to illustrate its new value proposal and focus on sustainable development, which culminated in the presentation of its new brand image "Homs Rentals".



ESG Outcomes

- Approved 50% CO2 Emissions reduction Plan 2022-2027.
- Paperless project for the digitalization of invoices and commercial documentation.
- 100% implementation of Compliance Program and Policy, including whistleblowing channels.
- Development and implementation of the Code of Ethics and an Environmental Policy
- Refinancing of debt through a Green Loan with sustainability KPI's and targets aligned with the ESG business focus: circular economy, energy efficiency and GHG emissions reduction.
- Engagement with all relevant stakeholders in ESG matters, fostering corporate and value chain transparency and the maximization of ESG impacts.

SDGs Contribution

<p>4 QUALITY EDUCATION</p> 	<p>4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p> <ul style="list-style-type: none"> • Professional vocational training programme for students. • Employee annual training programme.
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>8.5 Achieve full and productive employment and decent work for all women and men, including for young people and individuals with disabilities, and equal pay for work of equal value.</p> <ul style="list-style-type: none"> • +50 new jobs created last year. • 3% workforce composed by employees with disabilities. • Sustainable procurement practices adherence of supplier to UN Global compact and SDGs.
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.</p> <ul style="list-style-type: none"> • Over 100 new ECO-labelled and Electrified machinery/equipment to be included on the portfolio in the next 3 years.
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse.</p> <ul style="list-style-type: none"> • Recycling and renewal of 20-45 units/year equipment and machinery. • Refurbishing project to extend the life cycle of efficient machinery (+2-4 year life cycle).
<p>13 CLIMATE ACTION</p> 	<p>13.2 Integrate climate change measures into national policies, strategies, and planning.</p> <ul style="list-style-type: none"> • Project for the installation of photovoltaic self-generation systems. • Project for the Electrification of the commercial fleet.
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 	<p>16.6 Develop effective, accountable, and transparent institutions at all levels.</p> <ul style="list-style-type: none"> • Implementation of Compliance program, including prevention of corruption and bribery, and whistleblowing channels. • Transparency with all stakeholders.
<p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>17.16 Enhance the global partnership for sustainable development, mobilize and share knowledge, expertise, technology, and financial resources.</p> <ul style="list-style-type: none"> • Partnership for the electrification of urban construction and the promotion of Zero emissions machinery and vehicles in public tenders.

ESG Case Study - Infra Fund

UNUE Gases Renovables

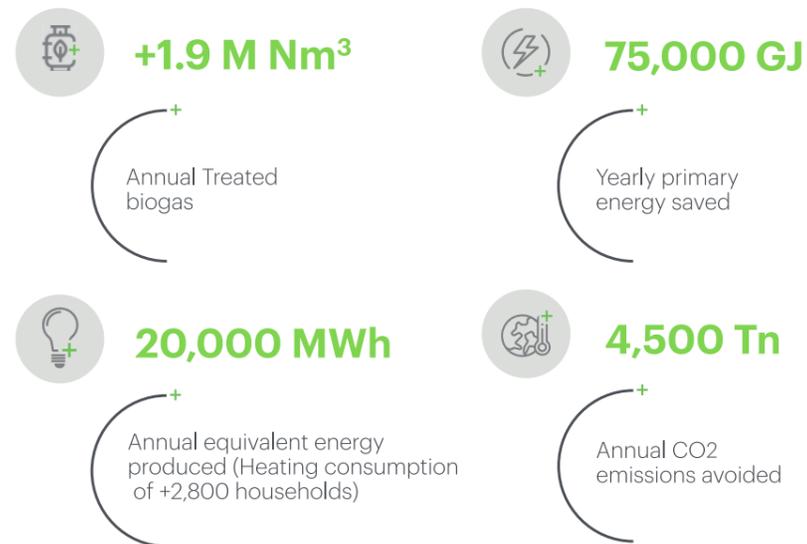
UNUE Gases Renovables is the first private initiative in Spain developing a biogas upgrading plant, co-developed between Suma Capital and Enagás. The company operates an upgrading module located in Burgos where it processes the biogas generated in anaerobic digesters of livestock waste of an industry dedicated to the production of proteins for animal feed. Through an enrichment process which reduces the impurities, the biogas is transformed to biomethane (99% methane), allowing its injection into the national natural gas network. The biomethane is sold to an international buyer under a long-term contract.

Key figures

SCEEF II

Investment year:
2020

Economic activity aligned with the EU Taxonomy, Climate Change Mitigation



Suma Capital's Investment Strategy

UNUE's investment is aligned with Suma Capital's Responsible Investment Policy. The activity of the company significantly contributes to the energy transition through the reduction of consumption of fossil fuels from the primary sector, and the production of biomethane, which also contributes to climate change mitigation (fossil methane has a warming potential 28 times higher than CO₂). Also, the company supports the activities of valorisation of organic waste of the site and improves the efficiency and use of biogas on the plant, promoting circular economy, while producing biomethane to be injected into the natural gas network.

ESG integration strategy

During our pre-investment analysis, Suma Capital performed an assessment of the main ESG risks and opportunities, including climate change. Following the investment in UNUE, and together with the technical expert partner in charge of the daily operation of the plant, we identified the main relevant areas the company had to reinforce and started the development of a package of ESG policies to effectively integrate and manage ESG risks and opportunities, such as a Compliance policy and a program including whistleblowing channels, an Environmental policy, and a Responsible Supply Chain policy. Among the opportunities identified, the production of biomethane from organic sources allow us to generate renewable gas certificates of origin which can be purchased and redeemed by third companies, to compensate their emissions of natural gas and support their energy transition.



ESG Outcomes

- Expected increase of biogas treated volume by 5 times on the next 3 years.
- Over 1,125 TJ of Primary energy saved during the lifetime of the project.
- Over 67,500 Tn of CO2 avoided during the lifetime of the project.

SDGs Contribution

<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>7.2 Substantially increase the share of renewable energy in the global energy mix.</p>	<ul style="list-style-type: none"> • Primary energy of biomethane injected in the natural gas network: 75 TJ/year.
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>8.3 Promote development-oriented policies which support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro-small- and medium-sized enterprises.</p>	<ul style="list-style-type: none"> • Creation of over 20 FTEs during the EPC phase.
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.</p>	<ul style="list-style-type: none"> • Technology development for the upgrading of biogas into biomethane. • Improving energy efficiency from the electricity grid connection and upgrading of biogas to biomethane.
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>12.2 Achieve sustainable management and efficient use of natural resources.</p>	<ul style="list-style-type: none"> • Almost 2 million Nm3 of biogas treated yearly and upgraded to biomethane.
<p>13 CLIMATE ACTION</p> 	<p>13.2 Integrate climate change measures into national policies, strategies, and planning.</p>	<ul style="list-style-type: none"> • Avoided fossil CO2 emissions of 4,500 tonnes per year. • No emissions of CO, NOx, SOx, NH3, PM or other polluting substances in the upgrading process.
<p>15 LIFE ON LAND</p> 	<p>15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in line with obligations under international agreements.</p>	<ul style="list-style-type: none"> • Operations located on an existing industrial site. • Injection of biomethane into the existent natural gas network.



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