

An aerial photograph of a river flowing through a dense forest. The river is characterized by large, dark, rounded boulders that create rapids and white water. The surrounding forest is thick and green, covering the banks and the area above the river. The overall tone of the image is natural and serene, with a focus on the rugged beauty of the river and its environment.

ESG Performance Report 2022

An aerial photograph of a river flowing through a dense, dark green forest. The river is characterized by white, turbulent rapids as it navigates around several large, dark, irregularly shaped rocks. The surrounding forest is thick and covers the majority of the landscape, with some rocky outcrops visible along the riverbanks.

Artá Capital

Grupo March

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At Artá Capital we are convinced that the achievement of our strategy and objectives requires a sustainable management model that combines an adequate return on investment with environmental protection, social justice and good governance to create value for all our stakeholders".

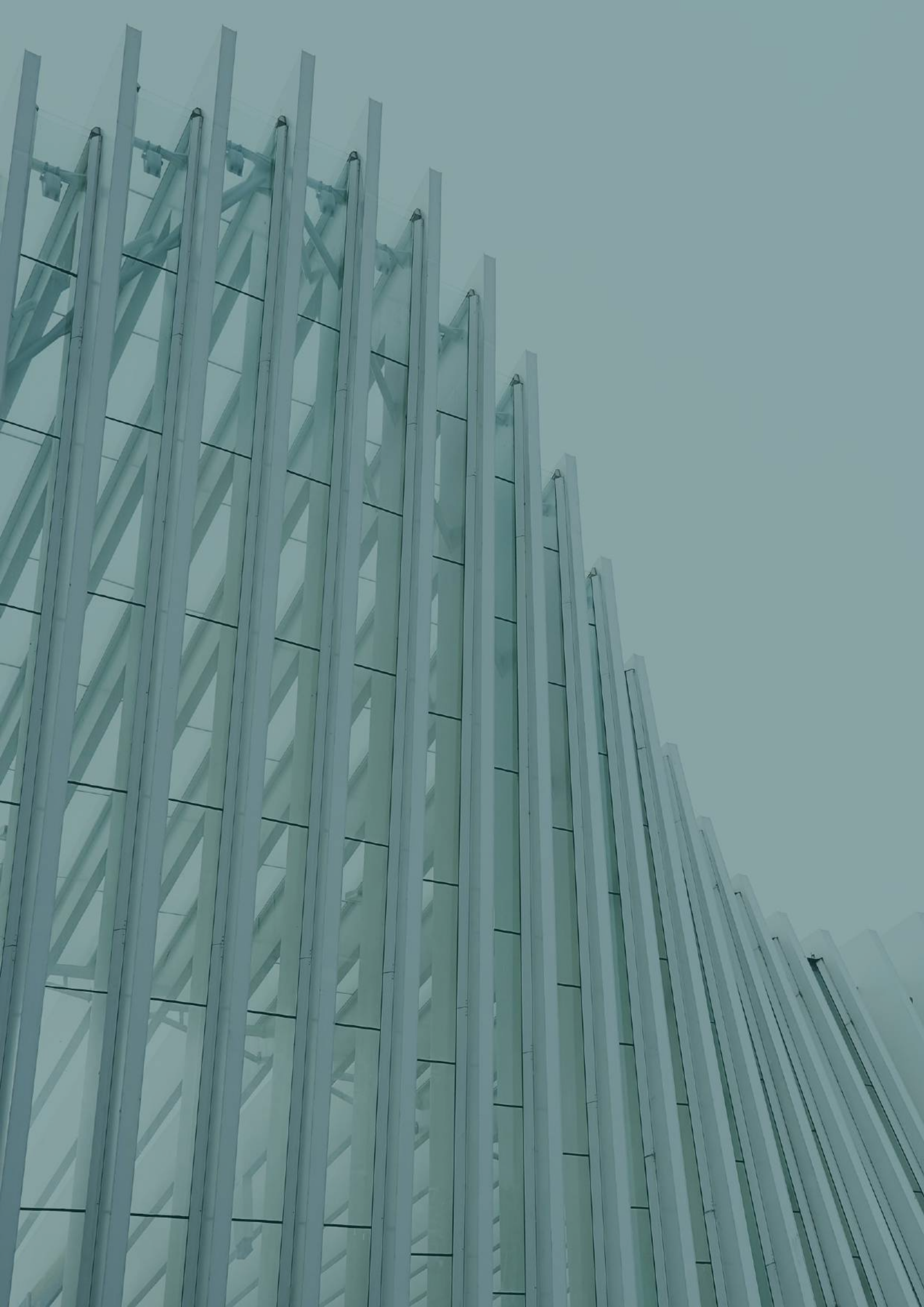
Signatory of:





1

Artá Capital



Leading private equity manager in the Iberian market

Artá Capital is a Spanish development capital management company with extensive experience in the Iberian mid-market that aims to create value for its shareholders through a flexible investment strategy in companies with high growth potential.

Artá Capital S.G.E.I.C. S.A. (hereinafter Artá Capital) is a Spanish Private Equity firm, specialized in the mid-market of the Iberian Peninsula. The firm's objective is to invest in growth projects that represent a unique opportunity to create value for its shareholders. With the financial and investment backing of the March Group, Artá Capital has €700M under management through its two investment funds (Artá Capital Fund I and Artá Capital Fund II).

Due to its multi-sector approach, Artá Capital has developed extensive industry knowledge and solid sector expertise to drive growth plans along with the management of its portfolio companies.

Its investment strategy is based on the creation of a collaborative environment with its portfolio companies, providing them with strategic support, constant dedication, and active participation through their representation on Boards of Directors and Management Committees.

With an equity ticket of €25-75 million (with the ability to execute larger investments by leveraging and pooling its extensive co-investment network), Artá Capital invests in unlisted companies with a business value of between €100M and €500M, defined by strong market positions, ability to generate cash flow, attractive organic and/or inorganic growth prospects and experienced and committed management teams.

Main performance KPIs



850M€

capital invested
since 2008^[1]

19

investments
since 2008

700M€

under
management

7

portfolio companies within the
two investment vehicles at
year-end 2021

15

full-time employees

Portfolio of leading companies

Due to its flexible investment strategy, Artá Capital Fund II has a portfolio of leading companies in its sector with a wide development potential.

Artá Capital Fund II was incorporated by Artá Capital, SGEIC, S.A. in 2017, reaching the target of €400 million.

Artá Fund II is characterized by a flexible investment strategy, with majority or minority control, and multi-sectorial (excluding the financial and real estate sectors).

As of December 31, 2021, the fund has made investments of €254.9 million in 6 leading companies with high entry business models and proven cash generation capacity. In

two of these companies, Gascan and Alvinesa, divestments were made in 2019 and 2021 respectively having exited after optimizing their potential, improving their business model and improving their sustainability performance.

This progress has been possible thanks to the efforts made by the management team with international profiles and the strong investments made.

Artá Capital Fund II Portfolio



Technological products and solutions for the maritime industry

Investment: 2017

www.satlink.es



Multinational pizza restaurant chain

Investment: 2019

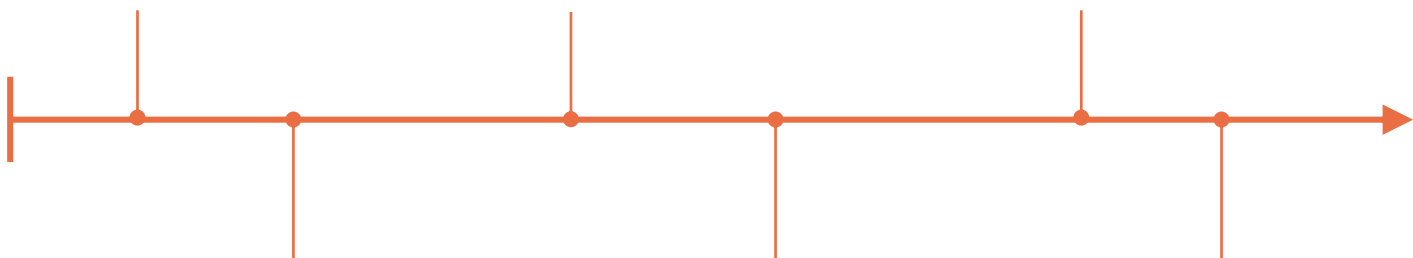
www.fooddeliverybrands.com



Manufacturer of brake system components for the aftermarket

Investment: 2019

www.nuadi.com



Manufacturer of bread, pastries and frozen bakery products

Investment: 2018

www.monbake.com



Provider of occupational risk prevention services

Investment: 2019

www.preving.com



Manufacturer of cladding panels and furniture components

Investment: 2019

www.grupoalvic.com

Commitment with the Sustainable Development Goals

Artá Capital promotes within its Fund II the development of initiatives and actions in line with its 2030 Agenda commitment and sustainable development. As a result, its portfolio companies currently contribute substantially to 13 Sustainable Development Goals (SDGs).

Artá Capital, through its sustainable management model, considers it essential to take into account key environmental, social and governance aspects in order to create value for all stakeholders. To formalize this philosophy, Artá Capital includes, in its Responsible Investment Policy, the principles and commitments that will align its responsible investment strategy with all its stakeholders and systematize its investment approach in its activities.

Artá Capital's flexible investment strategy allows the firm to invest in a wide variety of sectors, focusing on companies that promote sustainable growth and make a positive contribution to society and the environment.

Artá Capital works to integrate ESG issues in its portfolio companies, using the 2030 Agenda in such manner that a common roadmap for all of them. In this way, Artá Fund II's portfolio companies implement various initiatives that have a direct impact on the SDGs, allowing them to strengthen their business models, integrating themselves in a more stable and robust manner in the social and environmental contexts in which they operate.





ODS Contribution



Ubuntu África Foundation, part of the Preving Group, aims to promote social and economic improvement in developing countries, cooperatives working in Africa in the areas of education, health and local development. The Foundation is building a school in Sierra Leone, promoting enhancing education and granting scholarships.



Preving promotes social action projects in Spain in priority sectors such as people with disabilities, victims of gender violence, youth poverty and people at risk of social exclusion.



Collaboration with entities such as Banco de Alimento, making annual contributions and food collection campaigns in order to ensure the most vulnerable population a nutritious, healthy and sufficient diet.

Preving, together with other entities, donate non-perishable food to social centres with the collected amount of 20,000 euros.

Food Delivery Brands donates pizzas to organizations such as the Red Cross, Down España, Nupancitos, Alcer Bizkaia and Comedor Social TAUFIk to reduce hunger.

Monbake participates through its brands in different social actions.



Manufacture of healthy, high quality food products and promotion of work safety, road and home environments.

Monbake, for example, has the CLEAN LABEL seal for products that contain no additives or preservatives. In addition, its gluten-free products are certified by The European Licensing System (ELS), currently regulated by the AOECs (Society of Associations of Coeliacs in Europe).



With the project "Women, you are not alone", Food Delivery Brands is carrying out a training project in Ecuador for women at risk of exclusion.



Through the Ubuntu Foundation, Preving implements the project to provide latrines in the Foria Community, giving people access to a sanitary and infection-free area, also contributing in the prevention of certain diseases.



Part of the energy consumed by Satlink comes from renewable sources. In addition, the company, in line with its objectives of minimizing environmental impact, puts on the market the "ECO Buoy", replacing lead batteries with solar panels, storing energy in super-capacitors, also reduces plastic, making the product as sustainable as possible.



Fund II companies guarantee decent employment conditions, both for their workers and in the supply chain, eradicating practices that jeopardize labour rights and encourage the hiring of personnel, especially from vulnerable groups.



Understanding innovation as part of the business culture, transforming products, facilities, services, production processes and internal management with sustainability criteria. Fund II companies implement different projects through their innovation areas, as is the case of Preving with the development of its own applications, or Satlink, being "R&D for sustainable fishing".



Since 2017, Food Delivery Brand has been collaborating with DOWN Spain in a social and labour inclusion project for people with Down Syndrome,



Use of by-products as raw materials and supply of products with sustainable management practices. In the different companies, actions are implemented to make responsible use of resources, such as the reduction of paper consumption with Preving's "Zero Paper" project, or Satlink's "Circular Economy of Buoys".

On the other hand, Alvic uses the sawdust generated as biomass to produce thermal energy in production processes.



Fund II companies incorporate measures related to climate change in their policies, strategies and plans. In this sense, we work to set targets for the reduction of Greenhouse Gas emissions, for which the portfolio companies measure their carbon footprint in order to take the necessary measures to contribute to reduce CO2 emissions. Alvic, for example, from the substitution of raw materials or the reduction of their content in volatile compounds, has achieved a progressive reduction of the average percentage of VOCs in the products used during production.



Satlink is recognized by the United Nations Global Compact for its contribution to the care of the oceans. The selective smart buoy allows to increase the selectivity of fishing for the different species of tropical tuna (yellowfin, bigeye and skipjack tuna), based on the health of each stock in the different fishing areas of the oceans.



2

Integrating
Responsible
Investment at
Artá Capital



Case study: Betting on sustainable fishing

Artá Capital aims to improve the ESG performance of its portfolio companies in order to create long-term added value for both the companies and their stakeholders. This objective has been realized through Satlink, which has been awarded for its contribution to sustainable fishing.

Satlink has been awarded by the Spanish Network of the United Nations Global Compact, the most important initiative for corporate sustainability promoted by the UN, for its contribution to SDG 14 "Marine Life" through its selective smart buoy. This award recognizes the contribution of this technology developed by Satlink to a more sustainable and responsible fishing activity and the preservation of marine ecosystems, for its ability to promote the capture of healthy species and minimize the capture of vulnerable species.

This type of buoys have been conceived as a powerful tool to increase the selectivity of fishing for the different species of tropical tuna (yellowfin, bigeye and skipjack), based on the health of each stock in the different fishing areas of the oceans. The system is capable of distinguishing, through the use of algorithms and artificial intelligence, the quantity of fish, their species and size. This allows avoiding the capture of the most vulnerable ones in favour of the most abundant and healthy ones, thus contributing to the long-term sustainability of the stocks and without endangering the tuna supply chain.

In addition to the impact on the conservation of stocks, the use of this type of selective buoy helps to significantly improve the efficiency of fleets, as it allows them to make informed decisions and, therefore, to shorten sailing routes, thus reducing their carbon footprint. It also helps to enrich knowledge about the oceans, species and their behaviour, and to share this information with scientific and regulatory bodies, such as Regional Fisheries Organizations (RFOs), to make decisions based on reliable criteria.

All of Satlink's smart buoy's capabilities enabled it to win the go!SDG award. Concretely, the award was granted for Satlink's Smart buoy's precise contribution to the targets defined in SDG 14 as it sustainably manages and protects marine and coastal ecosystems, effectively regulates fishery exploitation, and ends overfishing, illegal unreported and unregulated fishing, and destructive fishing practices, and implements science-based management plans.

For its contribution, Artá Capital received the award in the category of best ESG initiative for its participation in Satlink as part of the Private Equity 2022 awards in Spain.





Formalizing Artá Capital's commitment to sustainability

Understanding responsible investment as a strategy and practice to incorporate environmental, social and corporate governance factors into investment decisions and active practice, Artá Capital decided to adhere to the United Nations Principles for Responsible Investment (UNPRI).

Artá Capital – in its commitment to the integration of ESG criteria in its portfolio and in its daily operations – began in 2020 to formalize this philosophy through adherence to the United Nations Principles for Responsible Investment (UNPRI). This has enabled Artá Capital to develop an ESG framework and align its activities with its environmental, social and governance objectives in order to be a promoter of value creation both in the society and its business.

Responsible investment policy

As a result of this commitment, Artá Capital developed its first responsible investment policy, with the aim to formalize the values and commitments by defining the principles and the framework of action through which they will be implemented.

To ensure the correct implementation of this Responsible Investment Policy throughout the investment cycle, and in line with its sustainable management model strategy, Artá Capital formalizes its values and commitments through the following policies, combining the return on its investments with social justice, environmental protection and the creation of value for the different stakeholders.

- Code of ethics and conduct
- Good governance policy
- Remuneration and resolution of conflicts of interest
- Manual on internal prevention of money laundering and terrorist financing
- Internal code of conduct

Pre-investment:

As part of the pre-investment stage, Artá Capital applies the exclusion principles and performs a preliminary screening to identify the main ESG risks that can be complemented with an ESG due diligence.

Post-investment:

Artá Capital believes in cooperation between its investment teams and the portfolio company management team to integrate ESG criteria into its decision-making process. This is materialized through regular monitoring and reporting of a series of ESG indicators that allow Artá Capital to implement specific action plans.

Divestment:

In the divestment, Artá Capital analyses the performance of its portfolio companies since the acquisition, identifying both performance improvement and growth potential and placing value on the transaction.

Diversity policy

In order to ensure diversity and equal opportunities in the workplace, Artá Capital has developed its first equality, diversity and inclusion policy, which sets out the company's commitments to ensure equal treatment and opportunities among employees, as well as the elimination of discriminatory situations, creating a work environment free of intimidation, harassment, victimization and discrimination.

Monitoring ESG performance






As a first step towards the integration of ESG issues in decision making, Artá Capital carried out an exercise to define its priorities and to focus on the most impactful areas. As a result, Artá Capital developed a system of indicators to monitor, report, and evaluate their performance.

In 2020, Artá Capital carried out an exercise to identify and prioritize the most relevant ESG issues within its activity and the portfolio companies' sectors. This resulted in 16 material ESG issues classified in three dimensions: environment, social and governance. This exercise is reviewed annually in order to identify potential issues that need to be managed.

Each of these 16 issues is linked to a series of KPIs that allow the measurement and monitoring of each of them.

Additionally, this monitoring and reporting system allows Artá Capital to make data-driven decisions, such as setting objectives or implementing action plans.

Artá Capital ESG performance summary (as of December 31, 2021)

 It has a CSR policy and an IR policy to frame its environmental approach.	 Has implemented measures to improve efficiency	 Has established environmental objectives	6,9 Scope 2 Emissions (t CO2)
4 New hires. in 2021	100% % of permanent contracts in the entity	40% % of women in the entity	 Has an Equality, Diversity and Inclusion Policy
0 Independent directors on its Board	 Has a Code of Conduct	15 Ethics and compliance training hours	0 Corruption cases



3

Evaluating Fund II ESG Performance



Advancing ESG integration

Artá Capital, through its active management, pursues the integration of ESG aspects in the strategy and activities of its portfolio companies. As a result, Fund II's portfolio companies have worked throughout 2021 to achieve their ESG objectives.

ESG performance of portfolio companies at a glance (as of Dec 31, 2021)

Environment

5/6

portfolio companies have an Environmental Policy (vs 5/6 in 2020)

100%

of the portfolio has implemented measures to improve efficiency (vs 100% in 2020)

100%

of the portfolio has established a system of objectives (vs 100% in 2020)

7,863

t CO2 (Scope 1+2) portfolio carbon footprint^[1] (+11% vs 2020)

Companies

1,358

new hires in the portfolio companies^[1] (+81% vs 2020)

92%

indefinite-term contracts in the portfolio^[1] (vs 93% in 2020)

46%

% of women in the portfolio^[1] (vs 42% in 2020)

100%

of the portfolio has implemented measures to improve work-life balance (vs. 100% in 2020)

95%

local suppliers (vs 95% in 2020)

Government

3/6

portfolio companies have independent directors (vs. 3/6 in 2020)

100%

of portfolio has a Code of Conduct (vs. 100% in 2020)

4/6

portfolio companies have provided ethics training (vs. 3/6 in 2020)

0

corruption cases (vs 2 in 2020) ^[2]

100%

of the portfolio has identified its main ESG risks (vs 100% in 2020)

[1] considering Artá Capital's participation in each portfolio company

[2] pre-existing case in a newly acquired subsidiary of one of the portfolio companies

Measuring wealth creation

Aware of its responsibility for social and economic development and welfare, both Artá Capital and its portfolio companies manage their tax affairs by applying good tax practices and acting transparently.

While the Gross Domestic Product (GDP) is the most appropriate macroeconomic magnitude to measure the economic wealth generated in a country during a given period of time, the Gross Added Value (GAV) is the equivalent indicator that reflects the wealth generated by specific companies or sectors, since it represents the difference between the value of goods and services sold by a company (turnover) and those used as intermediate consumption in its production process.

As reflected in the graph, the GAV of portfolio companies accounted for up to €113 million^[1] (as of December 31, 2021), an increase of 23% compared to 2020.

Gross value added (GAV) of Artá Capital's Fund II portfolio (€ million)



Since this indicator is considered representative of the activity of the portfolio companies, the GAV will be used throughout the report to calculate the unitary values.

[1] considering Artá Capital's % ownership in each portfolio company

Environmental protection

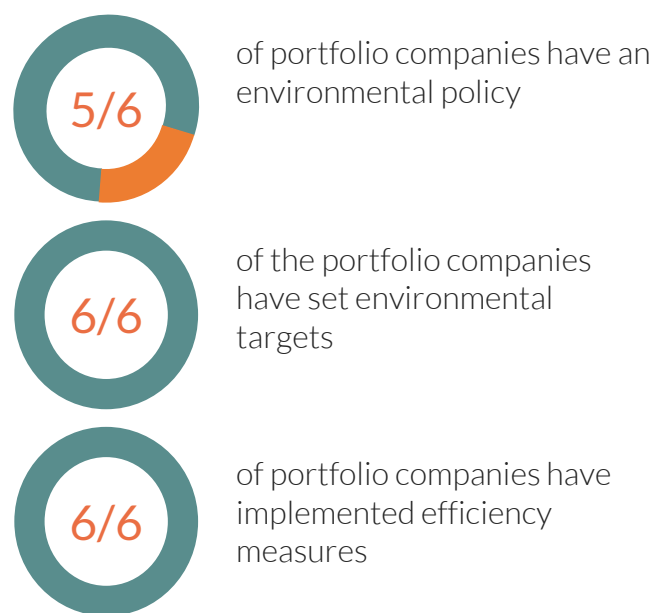
The portfolio companies are committed to the environment and thus work to address the potential environmental impacts caused by their activities through the sustainable use of natural resources, the efficient production and use of energy, the reduction of emissions, as well as waste and water management.

Environmental management

The portfolio companies prioritize the actions necessary to minimize possible negative impacts on the environment, meeting the needs of the present without compromising those of future generations.

Through the implementation of an environmental management system (EMS), the portfolio companies are able to identify the environmental aspects that may have a significant impact on the environment as a result of the development of their activities, thus materializing their commitment to continuous improvement in environmental management.

The portfolio companies have detailed knowledge of the impacts they could generate. The control and monitoring of water and energy consumption, greenhouse gas (GHG) emissions, material consumption, and waste generation, allows them to identify areas for improvement, thus demonstrating their commitment to progress in the environmental performance of their activities.

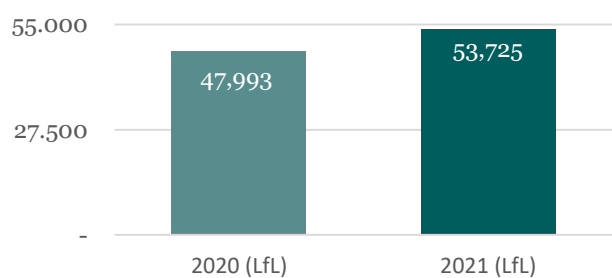


Responsible use of water

Sustainable water management encourages the search for new solutions at the operational level and ensures reduced consumption, responsible use, and quality of discharge.

The activities carried out by the portfolio companies are generally not intensive in water consumption, as it is mainly linked to the cooling and cleaning stages of the manufacturing processes (in companies with industrial activities) and other domestic uses (in all companies), and it comes from the municipal water supply, with no alternative water sources.

Water consumption in portfolio companies was 53,725 m3 in 2021^[1], representing a water intensity of 475.55 m3/M€ GAV^[1] and an increase of 12% compared to 2020 (considering LfL companies). This reduction is partially related to the effect of the pandemic.



Regarding wastewater management, companies that have process water (used in manufacturing activities) have special procedures for its management, such as on-site wastewater treatment plants or contracts with authorized companies for its proper management.

[1] considering Artá Capital's % ownership in each portfolio company

23

Efficiency in energy consumption and reduction of emissions

The energy model of the portfolio companies is based on the consumption of electricity and fuel (natural gas, gasoline, diesel and LPG), conditioned by the sector of each company. Energy can be used for domestic purposes (lighting and heating) or for manufacturing activities such as refrigeration and food preservation, for example.

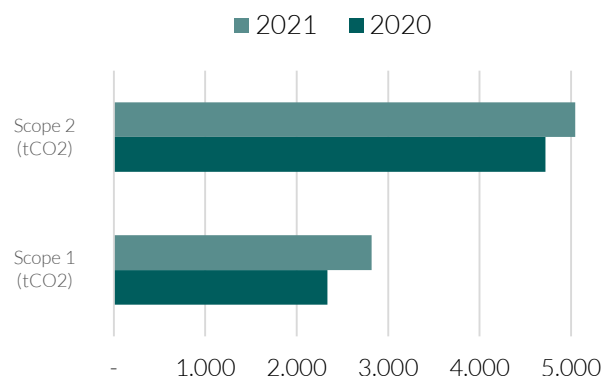
Energy consumption in 2021^[1] in absolute terms amounted to 33,352.83 MWh, representing an intensity of 295.22 MWh/M€ GAV^[1] and a 9.4% increase in energy consumption in the like for like portfolio compared to 2020.

	2020	2021
Fuel consumption LfL (MWh)	11,608	13,877
Electricity consumption LfL (MWh)	18,876	19,476

It should be noted that this increase was partially affected by the impact of COVID-19, which forced a reduction in the activities of the portfolio companies in 2020, and therefore in energy consumption.

Energy consumption leads to the emission of significant amounts of Greenhouse Gases (GHG) into the atmosphere, which are the main causes of climate change.

The carbon footprint resulting from this fuel (Scope 1) and electricity (Scope 2) consumption amounts to 7,862.7 tCO₂eq in 2021^[1], which is 69.6 tCO₂eq/M€ GAV^[1] in unit terms and an 11% increase in tCO₂ in like for like terms compared to 2020.



In order to reduce energy consumption, and therefore the associated emissions, the portfolio companies are implementing several measures and initiatives:

- Carbon footprint calculation to identify areas for improvement.
- Renovation of lighting system. Replacement of fluorescent lamps with LED lighting.
- Replacement of R-12 refrigerant gas with R134a in air conditioning installations, as this gas does not damage the ozone layer and has almost the same characteristics in terms of performance and capacity.
- Sustainable Mobility. Use of electric vehicles and route optimization.
- Energy audits.
- Replacement of equipment with more energy-efficient ones
- Improved insulation of thermal energy distribution networks.
- Installation of frequency inverters, thus avoiding energy loss, or in other words, optimizing consumption.

[1] considering Artá Capital's % ownership in each portfolio company

Managing climate risks

Climate change is one of the greatest environmental, social and economic challenges facing organizations and, as such, possesses a number of risks that must be addressed.

In this context, Artá Capital and its portfolio companies began in 2020 to take their first steps towards the integration of climate risks in line with TCFD recommendations, by measuring the carbon footprint of its portfolio companies in order to prioritize their actions to minimize emissions in the most carbon-intensive companies.

Moving forward in this line, Artá Capital has carried out an exercise to identify the level of physical and transition risk to which its portfolio companies are exposed, resulting in the following results:

Portfolio company	Physical risks	Transition risks
#1	<div></div>	<div></div>
#2	<div></div>	<div></div>
#3	<div></div>	<div></div>
#4	<div></div>	<div></div>
#5	<div></div>	<div></div>
#6	<div></div>	<div></div>

Low risk Medium risk High risk

This analysis was carried out taking into account the risks associated with the operating sector and the geographies in which each portfolio company operates. As a result, it can be seen that there is only an average risk in two portfolio companies in the industrial sector in relation to transition risks, which include regulatory and technological risks.

Basic elements of TCFD disclosure

The Taskforce on Climate-related Financial Disclosures (TCFD) establishes recommendations for climate risk reporting and management that focus on four blocks: governance, strategy, risk management, and metrics and objectives.

Government

Despite not assigning a person responsible for climate risk management, within Artá Capital's management team, there is an employee purely responsible for managing ESG matters.

Strategy

Although there is no formalized strategy for climate risk management, Artá Capital is aware of its relevance for the environment and society and therefore takes it into account at an informal level in its investment strategy.

Risk management

For the first time, Artá Capital has carried out an exercise to identify the climate risks to which its portfolio companies are exposed, according to their location and sector of activity. This enables the development of measures to manage these.

KPI and targets

Artá Capital annually monitors the energy consumption and GHG emissions of its portfolio companies and promotes the implementation of measures to reduce them. In addition, it has established objectives in this regard, which for the moment are qualitative.

Circular Economy

Efficient resource management is a priority for the portfolio companies, which are mainly focused on the transition to a circular economy and the decarbonisation of the economic system.

Although the portfolio companies have different needs within their operating activities, as they belong to different sectors, from services to manufacturing, they are committed to the use of recycled materials, such as office auxiliary materials, as far as possible. On the other hand, the consumption of materials varies from paper and cardboard packaging materials within the food industry to specific industrial equipment such as super-capacitors, panels or laminated boards used in the manufacturing process.

For this reason, there is a common commitment in all the portfolio companies, promoting the optimization of resources, the reduction in the consumption of raw materials and the use of waste.

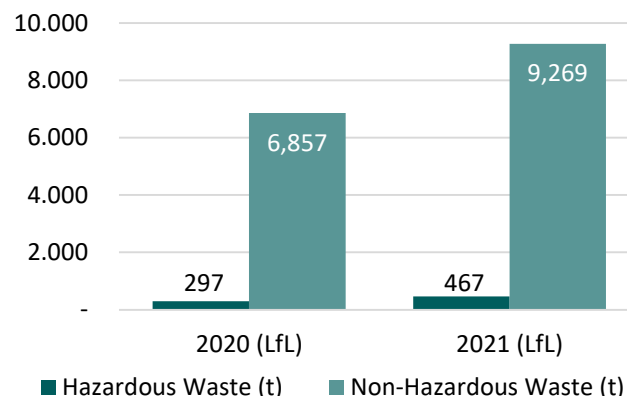
Applying the principle of waste hierarchy: reduce generation, maximize reuse and recycling, favour recovery and avoid disposal, the portfolio companies have waste management systems in place to ensure proper waste collection, transportation, storage and recycling.

As with the consumption of materials, the waste generated depends on the type of sector of each company, with industrial companies being the largest contributors to waste generation within the portfolio (mainly scrap metal, wood and packaging plastics).

By 2021^[1] more than 83% of waste has been recycled, reused or recovered.

Waste generation in 2021^[1] amounted to 9,736 tons, an increase of 36% over 2020. While this is a significant increase, these figures are in line with the pre-pandemic level.

Of the total waste, 9,269 tons were non-hazardous waste (95% of the total waste generated).



Waste management is outsourced to accredited third parties, who are responsible for its subsequent treatment depending on the type of waste (burnt oil, bio-waste, scrap, etc.).

As part of their commitment to the environment, the portfolio companies strive to reduce waste generation and adapt their activities to the increasing regulations on waste generation and management.

Satlink's "Zero Impact" campaign

Continuing the "Zero Impact" campaign, launched in 2019 with the 'Net100-Net+Positiva' project, which was awarded by the Latin America Green Awards in the Oceans category after successfully collecting more than 100 tons of fishing nets off the coast of Chile, Satlink is partnering with the Olive Ridley Project (ORP) and the International Pole & Line Foundation (IPNLF) to implement a program for the removal and reuse of abandoned, lost or discarded fishing nets and other fishing gear (known as ALDFG) in the Maldives.

[1] considering Artá Capital's % ownership in each portfolio company

Commitment to quality employment

Responsible and sustainable management of human capital enables portfolio companies to attract the best talent, generate quality employment, develop the workforce and promote diversity, work-life balance and occupational health and safety.

The portfolio companies work on a daily basis with a firm commitment to manage human capital in a responsible and sustainable manner, offering a value proposition to employees focused on a stable work environment, equal opportunities, respect for labour rights, growth and learning, and a safe and quality work environment.

Creation of quality employment

Artá Capital's portfolio consists of 2,183 employees^[1] divided into the following categories:

	2021 ^[1]
Directors	48
Middle management	686
Technical and administrative personnel	1,449
Total	2,183

In 2021 the workforce has increased by 12% compared to 2020, mainly due to the recovery of the portfolio companies after the situation caused in 2020 by COVID-19 and the recovery of jobs in those cases where extraordinary measures such as ERTE had to be applied. In this regard, 1,358^[1] workers were hired in 2021, resulting in a hiring rate of 62%.

Meanwhile, in 2021, the turnover rate was 49%, of which 7% were layoffs.

Noting the high turnover that exists in distribution companies in the restaurant sector, which distorts the data for the rest of the portfolio. In this regard, if we exclude this portfolio company from the calculation, we obtain a hiring rate of 16%^[1] and a turnover rate of 12%.^[1]

With regard to the quality of employment generated, at the end of 2021, 92%^[1] of employees had permanent contracts, compared to 76%^[2] of the industry average. In this line, the portfolio companies remunerate these jobs with a competitive salary that is well above the national minimum and above the average for their sectors of activity.

13,5k€

Spanish minimum wage^[3]

25,9k€

Average salary of portfolio companies^[1]

24,3k€

Sectors of activity of portfolio companies^[2]

Professional development

Artá Capital's portfolio companies understand that in order to generate quality employment it is necessary to foster an attractive working environment for employees. Along these lines, in 2021 a total of 26,752 hours^{[1][5]} (25% more than in 2020) were taught in subjects such as occupational risk prevention, skills or languages. This translates into a rate of 19 hours per employee, which is above the Spanish average (13.4 h/employee)^[4].

[1] considering Artá Capital's % ownership in each portfolio company

[2] sector average calculated as the average of the activities of all Fund II portfolio companies from the NSI, 2020.

[3] SMI - Minimum Interprofessional Wage, 2021

[4] Main activity indicators. Training in companies. FUNDAE

[5] Preving is excluded from the total number of training hours.

Diversity and Inclusion

The portfolio companies are committed to equal opportunities and diversity and inclusion, promoting awareness and social change actions to promote the creation of diverse, cross-cutting and inclusive teams, eliminating any exclusionary and discriminatory behaviour.

Artá Capital's portfolio is made up of 46%^[1] of women, higher than the sector average of 43%.^[2]

46% of women in the workforce

46% of new hires are women

This commitment to diversity has been reinforced with the development of equality plans in compliance with Organic Law 3/2007. 100% of the companies (5 out of 6) have implemented or are in the process of implementing an equalness plan.

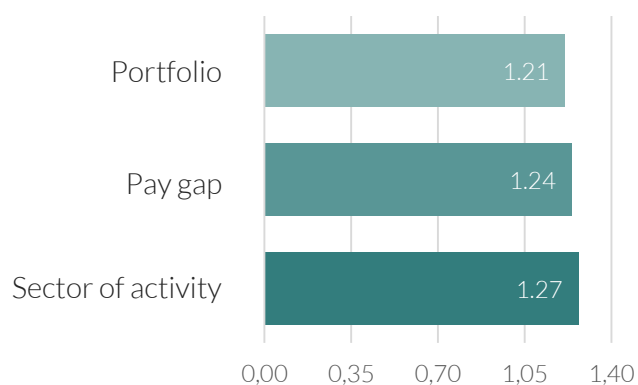
Development of the first Equality Plan for Satlink, Food Delivery Brands and Nuadi

In 2021 Food Delivery Brands and Nuadi launched their first Equality Plan, complying with current regulations and advancing in their commitment to equal treatment and opportunities between men and women and the elimination of gender discrimination.

Likewise, in 2021, Satlink begins work on the implementation and approval of the Equality Plan, which includes the assessment of the perception of equality in the work environment through surveys of all personnel.

In line with their commitment, the portfolio companies are working to improve gender equality in their organizations.

In 2021, the average salary for women was €23,435^[1], while for men it was €28,441^[1]. This results in a wage gap of 1.21, which is below the national average^[3] and the average for all sectors of activity of the portfolio companies^[2], as shown in the following graph:



In addition, the portfolio companies seek to promote diversity in their workforce by hiring people with disabilities. As of December 31, 2021, the number of people with disabilities in the portfolio was 21^[1], representing 0.98% of the total workforce and a slight increase compared to the previous year. Companies complement direct hiring with alternative measures.

In addition, the portfolio companies have taken measures to ensure accessibility to offices and facilities: adapted toilets, elimination of steps or adapted partitions.

[1] considering Artá Capital's % ownership in each portfolio company

[2] sector average calculated as the average of the activities of all Fund II portfolio companies from NSI, 2021.

[3] NSI, 2017

Health and wellbeing

The health and safety of workers is one of the main pillars underpinning the activities of the portfolio companies. That is why we implement measures to ensure a healthy and safe working environment that promotes the well-being of our employees, such as the development of health and safety procedures, audits and inspections of workplaces, and employee training in occupational risk prevention.

In order to establish a framework for occupational health and safety management, 3 of the 6 portfolio companies operate under a certified occupational risk prevention management system, effectively controlling hazards and risks in the workplace.

Thanks to these measures, the portfolio's safety and health indicators are generally below the national and sectoral average^[2]. In addition, one employee died in 2021.

Food Delivery Brands UNE-ISO/PAS 45005 Certification

Food Delivery Brands has obtained the Health and Safety Certification against COVID-19 in the Workplace according to the UNE-ISO/PAS 45005 specification for the food services of its offices, 121 stores throughout Spain and the Daganzo de Arriba factory.

	2021 ^[1]	Sector average ^[2]	Spanish average ^[2]
Accidents with sick leave/employee	0.05	0.029	0.023
Severity index	0.34	0.08-0.81	0.59
Frequency index	5.98	2.18-27.31	19.55
Absenteeism rate	0.7	ND	5.9 ^[3]

Preving's own Prevention Service

Grupo Preving has its own structure (Own Prevention Service) that assumes the technical and health preventive disciplines. The company implements various initiatives such as the "Me Cuida Plan", with 100% reductions in working hours for reconciliation needs.

Work-life balance

The portfolio companies have developed various measures aimed at favouring more beneficial conditions for employees to develop their professional careers, without detriment to their personal and family life, such as flexible working hours, shift changes, the option of teleworking or even implementing policies of disconnection from work, promoting the reasonable and responsible use of digital technologies, with the aim of optimizing working time and promoting the rationalization of working hours, thus respecting rest, leave and vacation time, as well as the personal and family privacy of employees.

[1] considering Artá Capital's % ownership in each portfolio company

[2] sectoral average calculated as an average of all Fund II portfolio companies' activities from Ministry of Labour and Social Economy, 2020.

[3] Randstad, Total sectors 2021

Sustainability in the value chain

The business practices of Artá Capital and its subsidiaries are aimed at creating value in the short and long term, maximizing positive impacts on society and the environment throughout the value chain.

Responsible supply chain

Aware of the potential social and environmental impacts that may be generated throughout the value chain, the portfolio companies strive to transfer their commitment to sustainability to their suppliers. For this reason, the portfolio companies have formalized supplier evaluation procedures to ensure compliance with minimum ESG criteria, thus seeking to improve the environmental and social performance of their value chain.

In 2021, more than 378^[1] suppliers were evaluated according to ESG criteria, a significant increase over the previous year. These evaluations assess the positioning of suppliers around the three fundamental axes of sustainability, including questions on environmental management, certifications and product quality, among others.

FDB Supplier Audit Plan

FDB's audit plan follows the standards established by Yum Brands and GFSI, ensuring that its products meet internationally recognized safety and quality requirements. The group is also working to include international animal welfare standards in these audits, demonstrating its commitment to establishing and promoting best available practices.

Customer satisfaction

The quality of service and products is an essential element in the activities of the portfolio companies and their constant improvement is one of their main objectives. For this reason, 100% of the portfolio companies have various management mechanisms in place to evaluate their products and services according to sustainability, quality or safety criteria, as well as the level of satisfaction of their customers, ensuring that their expectations are met.

As product safety management is a priority, 5 out of 6 of the portfolio companies have products certified under a sectoral quality standard. In addition, 4 out of 6 portfolio companies have various indicators to measure the level of user satisfaction, in order to gain greater insight into the fulfilment of their expectations.



of the portfolio companies have products certified under a quality standard



of portfolio companies monitor customer satisfaction

[1] considering Artá Capital's % ownership in each portfolio company

Positive impact on local communities

The portfolio companies promote the social and economic growth of the communities in which they operate, through different actions that give back and promote the progress of these communities.

In this sense, the portfolio companies seek to strengthen the link with the communities through the promotion of local purchases and direct economic contribution to their environment. By 2021:

65% Spending on local suppliers

95% Local suppliers

In addition, this commitment to actively participate in social and environmental causes is reflected in the contributions to foundations and non-profit organizations made in 2021, which amounted to more than €76,000^[1].

Monbake's commitment to the consumption of local products.

Monbake products manufactured in Tenerife have the mark "Made in the Canary Islands". Specially selected local raw materials are used to make them. In this way, it focuses on the personalization of its products and manages to get closer to the Canary Islands community.

Alvic's commitment to local development

Alvic is one of the main generators of stable and quality employment in the province of Jaén, causing a very significant positive impact on employment in the towns of Alcaudete and La Carolina.

[1] considering Artá Capital's % ownership in each portfolio company





Integrating ESG criteria in corporate governance

The integration of ESG criteria in the governance of portfolio companies optimizes their implementation at lower levels of the corporate structure and therefore maximizes the return to the boards of directors for decision-making.

Structure of the Board of Directors

The key for Boards of Directors to perform their functions in the most appropriate and efficient way possible is through an adequate balance in their composition, which guarantees that decisions are made in accordance with the business objectives of the companies, aligned with the demands and expectations of the stakeholders.

In this context, in recent years there has been an upward trend in the representation of women on Boards of Directors, given the ample room for improvement that still exists. In this regard, the Boards of Directors of portfolio companies will have 7% women in 2021. Although the portfolio companies are aware of the efforts that still need to be made in terms of diversity on the board, this figure has increased slightly compared to the previous year.

One of the aspects that characterizes a balanced composition of the Board of Directors is to have a large majority of non-executive directors and an adequate proportion between proprietary and independent directors. In the portfolio companies, 86% of the members are non-executive directors, which indicates a high level of maturity of their Boards of Directors. Likewise, the presence of independent directors in 3/6 of the portfolio companies shows the portfolio's performance in incorporating best corporate governance practices in senior management.

Ethics and compliance

The activities of the portfolio's portfolio companies are carried out under the strictest regulatory compliance, and the ethical behaviour of all employees is considered fundamental.

In this regard, all of them have developed the necessary tools (such as codes, policies or procedures) that establish a set of principles and guidelines for conduct aimed at ensuring the ethical and responsible behaviour of all managers, professionals and suppliers of the portfolio companies.

6/6

Participating companies have a code of ethics or code of conduct

4/6

Participants have provided training in ethical issues

6/6

portfolio company companies have implemented a Criminal Risk Prevention Model.

Integration of ESG criteria into management structure

The integration of ESG issues at all levels (including the Board of Directors) makes it possible to analyse the impact of investments on society and the environment.

For this reason, the portfolio companies are implementing various initiatives to advance in the integration of environmental, social and governance issues, such as the development of a sustainability policy, the designation of a person responsible for dealing with these issues or the identification of ESG risks in the corporate risk map.

3/6

portfolio companies have an ESG policy

4/6

portfolio companies have at least one member responsible for ESG aspects

6/6

portfolio companies have identified ESG risks or opportunities

Progressing in the integration of ESG criteria in Artá Fund II's portfolio

Artá Capital systematizes the integration of ESG criteria into its decision-making processes and is committed to translating this integration into increased value, thus creating more mature companies.

2020 Focus

2021 Focus

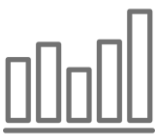
Increased awareness



Artá Capital raises awareness, both internally and in its portfolio, of ESG criteria through its Responsible Investment Policy.

Artá Capital has developed its first equality, diversity and inclusion policy, thus increasing the awareness of its employees in this area.

Monitoring



The monitoring of the ESG indicators of Artá Capital's portfolio companies allows us to keep track of the Fund II's performance.

For the third consecutive year, Artá Capital has collected data from its portfolio companies to evaluate their ESG performance and has significantly improved the quality of the data.

Communication



The monitoring process is also linked to the accountability of Artá Capital's performance to its stakeholders, which will also be done through an Annual Performance Report. This work will also continue to integrate stakeholder demands.

Artá Capital has prepared its third ESG report and has improved its positioning thanks to the award given by SpainCap to the best ESG initiative for its participation in Satlink.

Target setting



Based on current performance on key ESG issues, Artá Capital, together with Artá Capital Fund II's portfolio companies, sets targets as a way to build the path towards improving ESG performance.

Throughout 2021, Artá Capital has monitored the ESG objectives of its portfolio companies through the monitoring KPIs defined for this purpose.

Addressing ESG objectives

In order to measure progress in the integration of ESG criteria, Artá Capital monitors the ESG indicators of Fund II's portfolio companies, thus measuring progress in meeting the established objectives. This promotes sustainable growth and has a positive impact on society and the environment.



5/6

Environmental targets met and
1/6 in progress

- ✓ Development of solutions to promote electric mobility.
- ✓ Renewal of environmental certifications.
- ✓ Promoting environmental awareness in the supply chain.
- ✓ Promotion of circular economy initiatives in the activities of portfolio companies.
- ✓ Contribution to the continuous reduction of the carbon footprint.
- ✓ Characterization of the energy consumption of the activities of the portfolio companies in order to take additional measures for their optimization.



4/5

Social objectives met and 1/5
in progress

- ✓ Increase the presence of people with disabilities in the workforce.
- ✓ Increase in the number of employees covered by collective bargaining agreements.
- ✓ Enhancing the role of welfare in employee relations
- ✓ Promotion of fair and local trade.
- ✓ Implementation of measures to attract young talent



2/3

Government objectives met and
1/3 in progress

- ✓ Development of tools to promote gender diversity and equal opportunities in the workforce
- ✓ Minimization of non-compliance with the Code of Conduct.
- ✓ Formal integration of ESG risks into risk management tools.

4

Annexes:

(I) ESG performance indicators

(II) Definitions and calculation methodology



ESG performance indicators

KPI	2021	2020
Existence of an environmental policy	5/6 portfolio companies	5/6 portfolio companies
Existence of environmental objectives	6/6 portfolio companies	6/6 portfolio companies
Measures implemented to improve efficiency	6/6 portfolio companies	6/6 portfolio companies
Energy consumption (MWh)	33,353	30,484
Scope 1 emissions (tons)	2,819	2,335
Scope 2 emissions (tons)	5,044	4,719
Water consumption (m3)	53,725	47,933
Waste generated (tons)	9,736	7,154
Number of employees	2,184	1,949
% of women in the workforce	46%	42%
% Employees with permanent contract	93%	92%
Average salary of portfolio companies (€)	28,222	26,934
Hiring rate	62%	41%
Hiring rate of women	46%	36%
Training hours	26,752	21,385
Training hours per employee	12,25	10,97
Average salary for women (€)	23,435	23,153
Average salary for men (€)	28,441	28,668
Gender pay gap (M/F)	1.21	1.24
Existence of an Equality Plan	5/5 portfolio companies	5/5 portfolio companies
Number of people with disabilities	21	19
Percentage of people with disabilities	0.98%	0.97%
Implementation of work-family reconciliation measures	6/6 portfolio companies	6/6 portfolio companies
Portfolio companies operating with a certified occupational risk prevention management system	3/6 portfolio companies	3/6 portfolio companies

KPI	2021	2020
Number of accidents with lost days/employee	0.33	0.04
Severity index	0.33	2.1
Frequency index	5.82	7
Absenteeism rate	0.7	0.64
Number of fatal accidents	1	1
Suppliers evaluated according to ESG criteria	378	120
Participants that evaluate their products or services in terms of sustainability, quality or safety	6/6 portfolio companies	6/6 portfolio companies
Participants that have products certified according to a sectoral standard	5/6 portfolio companies	4/6 portfolio companies
Portfolio companies that evaluate the level of satisfaction of their customers	4/6 portfolio companies	4/6 portfolio companies
Spending on local suppliers	65%	81%
Percentage of local suppliers	95%	95%
Percentage of women on the Boards of Directors of portfolio company companies	6%	5%
Portfolio companies with independent directors on their boards of directors	3/6 portfolio companies	0/6 portfolio companies
Portfolio companies with Code of Conduct	100%	100%
Portfolio companies that offer training on ethical issues	4/6 portfolio companies	3/6 portfolio companies
Participated companies with a criminal risk prevention model	4/6 portfolio companies	4/6 portfolio companies
Existence of an ESG policy	3/6 portfolio companies	3/6 portfolio companies
Portfolio companies that have identified ESG risks or opportunities that may affect their activities	6/6 portfolio companies	6/6 portfolio companies
Participated with at least one staff member responsible for CSR aspects.	4/6 portfolio companies	4/6 portfolio companies

Definitions and calculation methodology

KPI	Definition / Calculation methodology
% operations certified under EMS	Percentage of company operations certified under an environmental management system, such as ISO 14001. Indicator directly provided by portfolio companies.
Scope 1 Emissions	Direct greenhouse gas emissions from the combustion of fuels in boilers, furnaces, vehicles, etc. owned or controlled by the company.
Scope 2 Emissions	Indirect greenhouse gas emissions associated with the generation of electricity purchased and consumed by the organization.
Measures to optimize efficiency	Measures implemented to optimize efficiency or reduce resource consumption (energy, water, materials, etc.).
Waste reused or recovered (%)	Amount of waste generated that has been reused or recovered instead of sent to landfill as a percentage of total waste generated.
% employees with permanent contract	Number of employees with permanent contracts as a percentage of total employees at the end of the fiscal year.
Hiring rate	Number of new hires over total headcount at year-end.
Turnover rate	Number of employees leaving the company as a percentage of the total workforce at the end of the year. Termination of employment means the end of the employee's employment relationship (whether voluntary or involuntary) with the company.
% involuntary departures	Number of involuntary departures over the total number of departures (voluntary and involuntary) at the end of the year. Involuntary departures include employees who are forced to leave the company due to dismissal.
% women in workforce	Number of women out of the total workforce at the end of the year.
% women in management positions	Number of women in management positions out of the total number of employees in management positions at year-end.
Wage gap (M/F)	Ratio of average compensation for male to female employees. Average compensation includes fixed and variable salary.

KPI	Definition / Calculation methodology
% employees with disabilities	Number of employees with disabilities out of the total workforce at the end of the fiscal year. Disabled employees are considered to be those with a disability of more than 33%.
Accident frequency rate	Number of occupational accidents with sick leave per million hours worked by the total workforce. $[(\text{No. accidents with sick leave} / \text{total hours worked}) * 10^6]$.
Accident severity rate	Days lost due to occupational accidents with sick leave per thousand hours worked by the total workforce. $[(\text{Days lost} / \text{total hours worked}) * 10^3]$.
Absenteeism rate	Total hours of absenteeism as a percentage of total hours worked by total workforce. Absenteeism is defined as hours due to non-permitted absences, hours due to occupational accidents, with and without sick leave, and hours due to absences due to common illness, with and without sick leave. Allowed absences (vacations, study leave, etc.) should be excluded from the calculation.
% suppliers evaluated under ESG criteria	Number of suppliers that have been evaluated under ESG criteria over the total number of suppliers in the supply chain at the end of the fiscal year.
% local suppliers	Number of local suppliers out of the total number of suppliers in the supply chain at year-end. Local supplier means a supplier in the same country in which the purchase/order is placed by the company.

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