



PRODUCT-LEVEL SUSTAINABILITY DISCLOSURE OBLIGATIONS

SUSTAINABILITY RISK POLICY

For financial products that promotes environmental and social characteristics, financial market participants shall publish the information referred to in Article 10(1) of Regulation (EU) 2019/2088 and articles 25 to 36 of the commission delegated regulation (EU) 2022/1288 of 6 April 2022 made up of the following sections: This document covers the following areas:

- a) Summary
 - b) Non sustainable investment objective
 - c) Environmental or social characteristics
 - d) Investment strategy
 - e) Proportion of investments
 - f) Monitoring of environmental or social characteristics
 - g) Methodologies
 - h) Data sources and processing
 - i) Limitations to methodologies and data
 - j) Due diligence
 - k) Engagement policies
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a) Summary

Management Company PURPOSE CAPITAL SGEIC S.L. manages two financial products which integrate sustainability risks into their investment decision-making process.

PLUS PARTNERS FIRST A, FONDO DE CAPITAL-RIESGO-PYME

PLUS PARTNERS FIRST B, F.C.R.E., S.A.

These two products follow the same investment strategy. They are Article 8 funds that promote environmental and social characteristics as well as responsible management practices among its portfolio companies.

Plus Partners funds' objective is that at least fifty percent (50%) of the investments promote environmental and social characteristics, and that at least fifteen percent (15%) are sustainable investments.



Moreover, the Fund's investments promote the contribution to the Sustainable Development Goals (SDGs), mainly in SDGs 3, 8, 9, 11, and 12, and seek to contribute to the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

b) No sustainable investment objective (article 26)

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

c) Environmental or social characteristics of the financial product (article 27)

Plus Partners funds are article 8 funds that promote responsible management practices among its portfolio companies through the monitoring and improvement of social, environmental and governance characteristics:

Given that the funds' investment thesis focuses on three (3) verticals: Health & Nutrition, Housing & Finance, and Labor Productivity, the environmental and social characteristics that these funds promote are:

Environmental

- Incorporation of practices and technologies for saving natural resources (water, raw materials) and energy.
- Promotion of optimized and efficient processes.

Social

- Development and creation of innovative and qualified talent, fostering high-level technical skills and competencies in technological and scientific areas.
- Generation of diverse, quality and highly qualified employment.
- Promotion of specialised training and the development of technical capacities.
- Promotion of access to good-quality affordable housing.

d) Investment strategy (article 28)

The investment strategy to improve the companies' ESG performance is through engagement with the company and the influence capacity derived from the political rights held over the company. The Fund endeavors to promote the improvement of the responsible management of portfolio companies by incorporating ESG considerations, with a specific focus on contributing to broader goals.

By investing in start-ups within above-mentioned chosen verticals, the Fund seeks to contribute, in particular, to the following **Sustainable Development Goals (SDGs)**, approved by the United Nations:



- **GOAL 3:** Ensure healthy lives and promote well-being for all at all ages.
- **GOAL 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **GOAL 9:** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- **GOAL 11:** Make cities and human settlements inclusive, safe, resilient and sustainable.
- **GOAL 12:** Ensure sustainable consumption and production patterns.

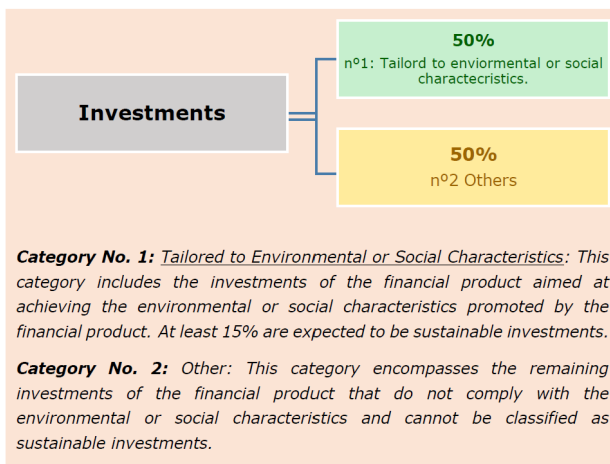
Additionally, respect for human rights is a fundamental pillar of the Funds' values and represents the minimum standard for carrying out its activities in a legitimate manner. In this context, its action is based on principles established by the **OECD Guidelines for Multinational Enterprises** and the **Ten Principles of the United Nations Global Compact**.

The OECD Guidelines for Multinational Enterprises are recommendations on responsible business conduct addressed by OECD governments to multinational enterprises operating in them and which aim to promote the positive contribution of such enterprises to economic, environmental and social progress worldwide.

The United Nations Guiding Principles on Business and Human Rights are a set of 31 principles addressed to States and businesses, which clarify the duties and responsibilities of States and businesses with regard to the protection and respect of human rights in the context of business activities. and access to an effective remedy for individuals and groups affected by such activities.

e) Proportion of investments (article 29)

Plus Partners funds' objective is that at least fifty percent (50%) of the investments promote environmental and social characteristics, and that at least fifteen percent (15%) are sustainable investments. Sustainable investments are those that contributes to an environmental objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.



The other 50% will include all those investments made in companies that present good governance practices and compliance with the Principles of the United Nations Global Compact and the OECD guidelines for Multinational Enterprises, but that due to the nature of their activity do not currently promote environmental or social characteristics in a specific way. These investments are made to manage liquidity and diversify the Fund's portfolio and present opportunities for improvement both financially, as well as in environmental and/or social aspects. These assets meet the Fund's exclusion criteria, thus ensuring basic safeguards.

f) Monitoring of environmental or social characteristics (article 30)

The achievement of the environmental and social characteristics promoted by the Fund will be measured through the periodic monitoring of specific indicators established for this purpose, which may be tailored to the specific nature of the companies involved. These indicators will include:

Environmental

Energy consumption (fuel and electricity, source of the energy consumed (renewable energy and others), greenhouse gas emissions (Scope 1 and 2), other consumption of natural resources (water, raw materials).

Social

Job creation rate, talent retention rate, turnover rate, employee demographics by gender and educational level, and resources allocated to training. In the case of start-ups that promote access to housing, other relevant factors will also be measured, such as rental prices by province, the average salary of clients or their occupation.

g) Methodologies (article 31)

Once a company enters the Fund's portfolio, they are required to report on an annual basis, on the KPIs indicated above (see "f").

h) Data sources and processing (article 32)



The data used to measure the achievement of the Funds' social or environmental characteristics are obtained from the investees themselves. The Finance & Portfolio Manager is responsible for compiling the relevant information for the LP reporting of sustainability indicators on an annual basis.

All data will be reviewed and an external advisor will be engaged whenever needed to ensure data quality. In case insufficient data quality is spotted, Plus Partners will engage with the portfolio company to iterate the data until it is correct and undertakes an internal validation.

i) Limitations to methodologies and data (article 33)

Limitations to the methodologies and data referred to in the above sections include, but are not limited to:

- startups recently acquired that have not been able to implement the ESG processes required by the management company.
- limited capacity to measure or report from the portfolio companies,
- different reporting periods and group perimeters,
- human error

j) Due Diligence (article 34)

The Management Company ensures that none of the Fund's investments cause significant harm to any sustainable investment objective.

Sustainability is integrated into the investment process as outlined in the Management Company's Policy of integration of sustainability risks, published in its website. Specifically, the process introduces mechanisms that consider sustainability during the investment selection and analysis phase.

In the investment selection and analysis phase, a negative screening process is conducted to ensure that the investment opportunity does not belong to any sector or activity that is excluded under the policy of due diligence in relation with the adverse events (incidencias adversas).

Under no circumstances will the Fund invest in companies or entities engaged in illegal economic activities according to applicable laws or that contradict any of the 17 Sustainable Development Goals (SDGs).

Furthermore, the Fund will not invest in, guarantee, or otherwise provide any financial support—either directly or indirectly—to companies or entities whose primary business activities involve disreputable practices, including, but not limited to:

- The production and commercialization of tobacco and distilled alcoholic beverages;
- The development and/or execution of projects that limit individual rights or violate human rights;
- The development and/or execution of projects that harm the environment or are socially inadequate;
- The research, development, and technical application of electronic data programs or solutions specifically aimed at: Supporting any activities related to the aforementioned;



- Internet gambling and online casinos;
- Pornography; or
- Illegally enabling access to electronic data networks or the downloading of electronic data;

Additionally, an identification and analysis of relevant ESG risks and opportunities associated with the investment opportunities will be conducted, focusing particularly on the material ESG aspects relevant to the sector or activity under review. Special attention will be given to sustainability aspects related to the environmental and social features promoted by the Fund. Depending on the nature of the opportunity, a specific ESG Due Diligence process may be carried out if deemed appropriate by the Management Company.

k) Engagement policies (article 35)

Good governance is an integral element of the ESG factors considered by the Management Company in the selection and analysis of investment opportunities. During this phase, the governance practices of potential investments will be evaluated based on a preliminary analysis of the company, which includes interviews with ownership, documentary review, and the examination of non-financial information regarding the existence and maturity of mechanisms and protocols implemented at the corporate governance level. Aspects considered include policies, procedures, and systems to ensure compliance and uphold business ethics, diverse representation on governance and management bodies, the absence of disputes, the implementation of risk management systems, and transparency, among others.

Relevant issues identified as a result of this analysis will be presented to the Investment Committee to ensure informed investment decision-making concerning sustainability risks and opportunities.

Additionally, during the life of the investment, the Management Company adopts a proactive management approach, engaging actively in the companies' boards of directors and implementing a systematic governance structure that ensures sustainability issues are regularly addressed in decision-making bodies and that good governance practices are effectively integrated.

l) Attainment of the sustainable investment objective (article 36)

The fund has not designated a benchmark index to achieve the sustainability investment objective.