

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Abac Solutions (SCA) SICAR (the "Fund")

Legal entity identifier: 549300GQD1JYTF51LG91

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

- It made **sustainable investments with an environmental objective: ___%**
 - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
 - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
 - with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**

- It made **sustainable investments with a social objective: ___%**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund, Abac Solutions (SCA) SICAR promoted environmental or social characteristics, through the investment in entities that immediately before the initial investment of the Fund qualify as SMEs or Mid-Cap Companies and that are within the geographical scope described in the Fund's investment policy, with a general sectoral approach as follows:

- a. The investment strategy, as set out in the Responsible Investment Policy, pursues the improvement in the ESG performance of its investee companies during the holding period. This improvement in the ESG performance of investee companies is related to transversal aspects classified into four overarching areas (Environment, Good Employment, Diversity and Governance).
- b. The Manager ensured that acquired entities meet minimum standards by negative screening and subsequent exclusion of companies in accordance with the Fund Exclusions.

During the reference period 1 January 2023 to 31 December 2023 ("Reference Period"), the Fund met such standards and monitored the improvement in the ESG performance of all its investee companies on an ongoing basis.

● **How did the sustainability indicators perform?**

During the reporting period, the firm's Sustainability team has completed two key projects: (i) The review and standardization of Sustainability KPIs to ensure comparability and consistency across all portfolio companies' sustainability reporting; and (ii) the implementation of a software platform, Atominvest, which has improved traceability, engagement, and reporting consistency. By the end of Q4 2023, 100% portfolio companies were reporting through the software and preparing to include the Fund's target KPIs (climate, good employment, diversity, and

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

governance) in their Annual Non-Financial Information Report which will be verified by independent third-party auditors.

Climate:

The portfolio continued working to reduce its Scope 2 emissions and to stabilize the cost of energy by switching to renewable energy suppliers and installing solar panels, in particular at the industrial businesses which generate a majority of the Fund's emissions. For example, Plating Brap completed the installation of panels under a PPA agreement, which is expected to contribute to c.17% of the company's daily energy consumption. Iberfrasa has also installed solar panels which are expected to deliver 20% of the company's consumption. As compared to entry (or to baseline year 2019 if acquired prior to 2020), by the end of 2023, Scope 1 & Scope 2 emissions Location-based approach had reduced by 10.9% while GHG intensity was down by 19.9%. Under the market-based approach, Scope 1 & 2 emissions were down by 41.9% while GHG intensity was down by 47.7%.

Diversity and Good Employment:

During the period, portfolio companies continued to achieve diversity and good employment milestones: Avanza Food advanced its commitment to support the employment of vulnerable groups at risk of exclusion. The company collaborates with a foundation in Madrid to identify candidates for their Avanza Food Universities, held at Carl's Jr and Tony Roma's facilities, where they train the students on themes including hospitality, cooking, and the restaurant sector. Avanza Food hired 32 employees at risk of exclusion during 2023 (+3.2x YoY). Motocard continued to advance its commitment to improving road safety among the motorbike community publishing Motocard Academy videos on road safety. Additionally, the company's efforts to cater to the female segment continued to materialize, with 11% of clients identifying as female. Agroponiente focused on extending best practice environmental and social certifications among its suppliers. With more than 40% of their workforce of 900 employees considered to be in a vulnerable social position, the company also focused on training to ensure a safe work environment for all. Since entry, Agroponiente had reduced accidents by more than 70%.

Governance:

Regarding Governance, in 2022 Motocard certified as a B Corp becoming the first portfolio company in the Fund to achieve this recognition. By the end of 2023, all portfolio companies had completed the B Impact Assessment (BIA) and both Agroponiente and Avanza Food had already exceeded the certification threshold. Finally, 100% of companies had also implemented Abac's Compliance Program.

Please see chart below describing each of the KPIs reported on 31 December 2023 at each portfolio company.

Environmental							
Utility reporting							
Electricity reporting	●	●	●	●	●	●	100%
Water consumption reporting	●	●	●	●	●	●	100%
Gas consumption reporting	●	●	-	-	-	-	100%
Policies and initiatives							
Environmental policy	●	●	●	●	●	●	100%
Waste management policy	●	●	●	●	●	●	100%
Initiatives to reduce packaging usage	●	●	●	●	●	●	100%
Environmental governance							
Suppliers adhere to environmental best practices	●	●	●	●	●	●	83%
No serious environmental incident in the past 12 months	●	●	●	●	●	●	100%
Climate change							
Contracted renewable energy	●	●	●	●	●	●	67%
Installed solar panels	●	●	●	●	●	●	50%
Measuring Scope 1 & 2 emissions	●	●	●	●	●	●	100%
Total GHG emissions (kg CO2e) - Location-based approach FY 23	973.735	1.439.607	478.011	2.833.937	3.740.621	792.757	10.258.668
Total GHG emissions (kg CO2e) - Market-based approach FY 23	772.279	1.436.947	189.969	1.106.845	1.585.650	603.322	5.695.012
Social							
Social KPIs reporting							
Reporting in place	●	●	●	●	●	●	100%
Number of employees (EoP)	82	453	320	1.895	494	279	3.523
Diversity							
% Female employees in the payroll	39%	50%	44%	54%	46%	44%	46%
% Females in Management Team ≥ 20%	●	●	●	●	●	●	67%
% Females in BoD ≥ 20%	●	●	●	●	●	●	33%
% Employees in the payroll <30 years-old	0%	53%	46%	24%	19%	8%	27%
% Employees in the payroll >50 years-old	18%	7%	7%	23%	20%	19%	19%
Social governance							
Workers' council	●	●	●	●	●	●	100%
Suppliers adhere to social best practices	●	●	●	●	●	●	83%
Corporate citizenship							
Corporate volunteering	●	●	●	●	●	●	83%
Governance							
Governance structures							
Board of Directors	●	●	●	●	●	●	100%
Audit Committee	●	●	●	●	●	●	100%
Nominations & Remuneration Committee	●	●	●	●	●	●	100%
Compliance Committee and delegate	●	●	●	●	●	●	100%
Code of Conduct	●	●	●	●	●	●	100%
Code of Conduct signed by >80% employees	●	●	●	●	●	●	100%
Anti-corruption policy	●	●	●	●	●	●	100%
Whistle Blower Reporting System	●	●	●	●	●	●	100%
Two signatory policy	●	●	●	●	●	●	100%
Corporate Offenses Risk Prevention Programme	●	●	●	●	●	●	100%
Sustainability standards							
UN Global Compact Signatory	●	●	●	●	●	●	100%
Completed B Impact Assessment	●	●	●	●	●	●	100%
Sustainability governance							
Sustainability Champion	●	●	●	●	●	●	100%
Sustainability Committee	●	●	●	●	●	●	100%

Note: "●" stands for not applicable, "n/a" stands for not available

● **...and compared to previous periods?**

As compared to entry, by the end of 2023, Scope 1 & Scope 2 emissions Location-based approach had reduced by 10.9% while GHG intensity was down by 19.9%. Under the market-based approach, Scope 1 & 2 emissions were down by 41.9% while GHG intensity was down by 47.7%.

As of year-end, the Fund counted on 46% women in the workforce and 25% women in management positions, in line with the previous year. 67% of the companies had more than 20% females in Board of Directors positions, an improvement over the previous year. The Fund companies also reported the Gender Wage gap which as a Fund is 11%, well below the 2023 Spanish average of 28% as reported by the UN Global Compact Spanish Network. Finally, the Fund's accident rate was 6%, an improvement over the previous year while voluntary turnover was 38%, in line with last year and elevated due to the companies in the hospitality and retail sectors.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

NA

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

NA

How were the indicators for adverse impacts on sustainability factors taken into account?

NA

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption

and anti-bribery matters.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

NA

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

NA



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2023 to 31 December 2023

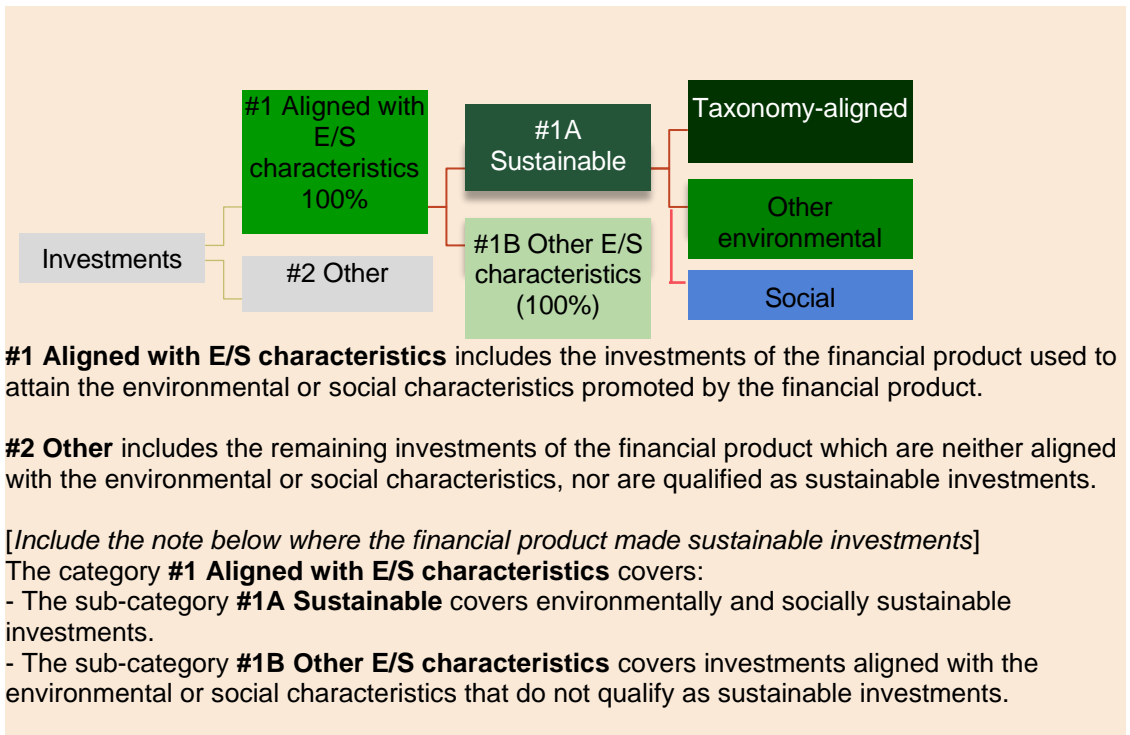
Large investments	Sector	% Assets	Country
Plating Brap	Industrials	4%	Spain
Avanza Food	Consumer services	11%	Spain
Motocard	Consumer online	20%	Spain
Agroponiente	Agribusiness	15%	Spain
Iberfrasa	Industrials	16%	Spain
Nuzoa	Veterinary Services	34%	Spain



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

- **What was the asset allocation?**



● **In which economic sectors were the investments made?**

Sector	% Assets
Industrials	20%
Consumer services	11%
Consumer online	20%
Agribusiness	15%
Veterinary Services	34%

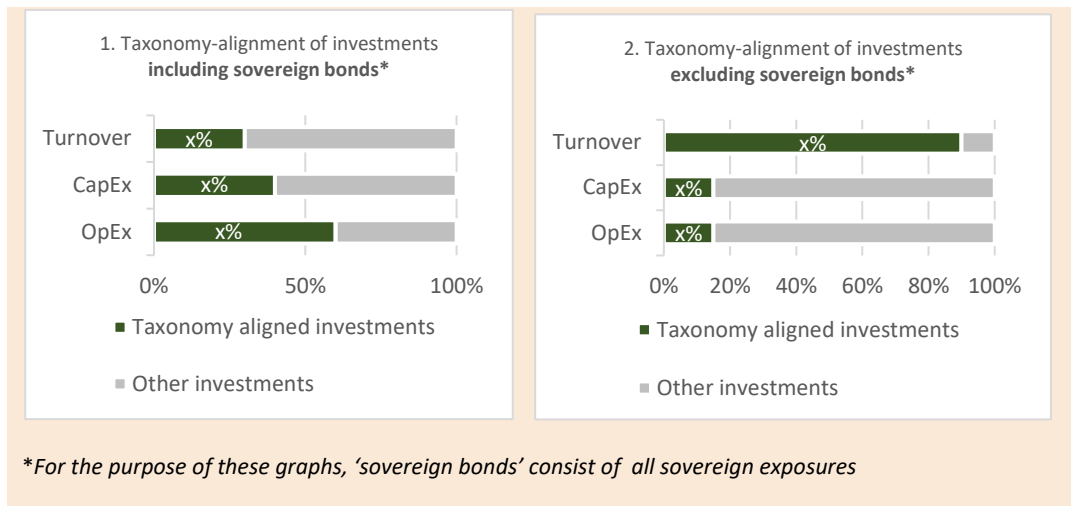
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **What was the share of investments made in transitional and enabling activities?**

NA

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

NA

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

NA



- **What was the share of socially sustainable investments?**

NA



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

NA



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

NA

- *How does the reference benchmark differ from a broad market index?*

NA

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

NA

- *How did this financial product perform compared with the reference benchmark?*

NA

- *How did this financial product perform compared with the broad market index?*

NA