

Information regarding the disclosure obligations established in Regulation (EU) 2019/2088 – SFDR

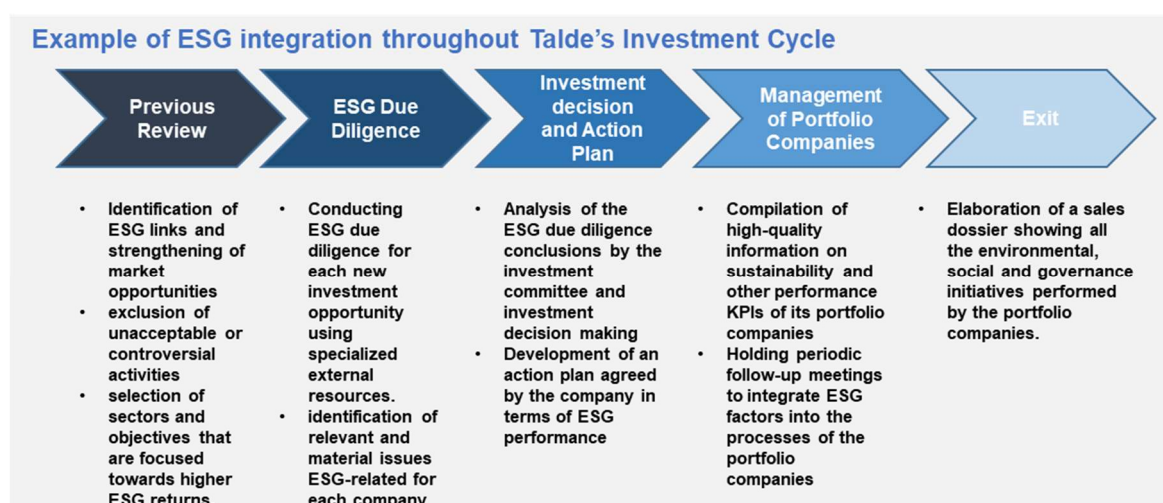
Talde Gestión, S.G.E.I.C., S.A. (hereinafter "Talde" or "Entity"), as a participant in the financial market, provides the following information in order to comply with the provisions of articles 3, 4 and 5 of **Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector** (hereinafter also the "SFDR Regulation" or "SFDR") and with the provisions of the Final Report on the Regulatory Technical Standards ("RTS") published by the European Supervisory Authorities dated February and October 2021.

1. Statement on the integration of sustainability risks in the investment decision-making process (article 3; SFDR)

This statement responds to the obligation established in the SFDR Regulation that financial market participants specify how sustainability risks are integrated into the management of their investments, including their proper identification, measurement, evaluation, control and reporting. In this context, sustainability risk is defined as any environmental, social or governance event or condition that, if it occurs, could have an actual or potential negative material effect on the value of the investment.

Talde, as a signatory to the Principles for Responsible Investment, considers that environmental, social and governance issues (hereinafter "ESG") and the risks derived from them, must be integrated into the investment process. Furthermore, as part of its fiduciary duty, Talde acts in the best interest of its funds and this includes properly considering how sustainability risks could affect the long-term value creation of our investee companies and investors.

This position is defined in Talde's Sustainable Investment Policy, which details how issues related to sustainability are an integral part of the risk review process, and how ESG factors are monitored and integrated throughout the investment cycle. In addition to integration, Talde employs exclusion strategies, thematic investments and dialogue with investees, in accordance with investment objectives.



Talde strives to integrate and manage sustainability risks in the investment process. For more information, consult Talde's Sustainable Investment Policy.

2. Consideration of Principal Adverse Impacts in terms of sustainability at the entity level (art. 4; SFDR)

Talde recognizes the role and responsibility of the financial sector in mitigating sustainability risks and the impacts derived from investment decisions and contact actions with the companies and institutions invested in.

In accordance with the provisions of article 4 of the SFDR Regulation, the Principal Adverse Impacts (hereinafter, "PAIs") in terms of sustainability must be understood as the negative, material, or potentially material effects on sustainability factors that result from, worsen, or are directly related to investment choices.

. The Entity, in its role as a financial market participant and in accordance with Article 4 of the SFDR Regulation, currently takes into account the following mandatory PAI indicators on sustainability at the entity level.

→ PAI indicators considered by Talde at entity level	
ESG issue	PAI
Greenhouse Gas Emissions	1. Greenhouse gas emissions (GHG)
	2. Carbon Footprint
	3. GHG intensity of investee companies
	4. Exposure to companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production
	6. Energy consumption intensity per high impact climate sector
Biodiversity	7. Activities negatively affecting biodiversity sensitive areas
Water	8. Emissions to water
Waste	9. Hazardous waste ratio
Social and Employees Matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
	12. Unadjusted Gender Pay Gap
	13. Board Gender Diversity
	14. Exposure to controversial weapons (antipersonnel mines, chemical weapons and biological weapons)

Regarding the implementation of due diligence measures, Talde will also take into consideration PAIs through the Entity's responsible investment strategy, as shown below.

→ Methodology to identify and measure PAIs		
ESG strategy	Explanation	Application
Exclusions	Talde restricts investment in certain sectors considered controversial or that are not aligned with the reference standards of the Entity. (See Sustainable Investment Policy)	The Entity has no exposure to activities related to the fossil fuel sector (PAI 4), to companies excluded from the United Nations Global Compact (PAI 10 and 11) or controversial weapons (PAI 14).
ESG Integration	The integration of ESG issues throughout the investment process is crucial for Talde's activity, therefore, the Entity regularly collects and analyzes the ESG performance of investee companies.	Talde regularly monitors the sustainability performance of its portfolio companies in areas such as greenhouse gas emissions (PAI 1-3), energy consumption (PAI 5-6), and waste management (PAI 9), among others.
Thematic investment	Talde understands the need to channel capital flows towards sectors and activities that address challenges and provide specific solutions in ESG matters.	Talde focuses on sectors of priority interest for sustainable development through investment in sectors and activities that do not negatively affect the environment (based on the principle of Not Causing Significant Harm). For example, in terms of biodiversity (PAI 7) and water (PAI 8).
Engagement	The Entity seeks continuous dialogue with its portfolio companies through engagement actions to guarantee their sustainable development and create value over time.	Talde strives to guarantee equal opportunities, hence, carries out engagement actions with portfolio companies in matters of diversity (PAI 13) and supports the calculation of gender indicators such as the salary gap (PAI 12).

The methodology for supervising and monitoring the performance of its portfolio companies in relation to the prioritization of major adverse incidents is based on the indicators established by Delegated Regulation (EU) 2022/1288 in its Annex I. Likewise, Talde will identify potential deviations in the sustainable performance of these portfolio companies and establish specific measures to be taken in each case.

Talde annually reports a PIA indicators report, which is available on its website. Finally, Talde believes that its commitment to sustainability issues with its portfolio companies will have a positive impact on its investment results and on society.

For this reason, it is guided by the reference standards in the sector such as the United Nations International Bill of Human Rights ([link](#)), the United Nations Guiding Principles on Business and Human Rights ([link](#)) and the Equator Principles ([link](#)) among others.

The Entity will also seek to actively contribute to the alignment of its investees with the 2015 Paris Agreement and the SDGs and will work on the implementation of climate transition strategies that are compatible with the objective of achieving climate neutrality in 2050 of the European Union.

3. Transparency of remuneration policies in relation to the integration of sustainability risks (art. 5; SFDR)

Article 5 of the SFDR Regulation emphasizes the importance of financial market participants having remuneration policies that promote effective and adequate management of sustainability risks in line with all relevant sectoral legislation. This is applicable regarding senior principals, personnel with risk control functions and the rest of the employees.

Considerations on ESG issues are embedded in Talde's organizational structure, as well as in its culture and activities. Specifically, Talde's Sustainable Investment Policy describes the process of integrating the management of ESG issues, including sustainability risks, throughout the investment cycle.

In this context, Talde has a remuneration policy aligned with the Entity's strategy, values and interests that promotes solid and effective integration and management of sustainability risks and that strives to avoid the assumption of risks that are incompatible with appetite of risk or the risk profiles of the vehicles it manages.

Thus, Talde's approach to remuneration means that remuneration decisions are not made solely considering adjustments based on financial parameters, but other factors are taken into account, such as compliance with the Entity's rules and procedures, the ethical behavior of employees in line with the culture and values of Talde and compliance with the rules that govern the relationship with stakeholders. In addition, Talde's remuneration system seeks to avoid any type of discrimination other than that derived from performance evaluation.

Finally, the consideration of these factors, including, when relevant, the contribution of an individual to the ESG-related efforts of the Entity, aims to align and promote the achievement of the personal objectives of the staff members with the interests and strategy to Talde's long term.