

Nazca's Responsible Investment Policy

Introduction. Nazca has developed this Responsible Investment Policy to formalize its commitment to integrate environmental, social and corporate governance (ESG) criteria into investment decisions.

Our responsible investment policy is aligned with the six Principles of Responsible Investment (PRI) of the United Nations, and with our partners' philosophy and is consistent with our fiduciary duties. We plan to sign the PRI in the near future to publicly demonstrate our commitment to the six Principles of Responsible Investment:

- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.
- We will report our activities and progress towards implementing the Principles.

The following statements apply to our entire investment universe, which should consider this Policy as a framework to guide our approach and decisions along the whole investment cycle. This policy will be updated if specific relevant changes occurred.

Responsible Investment Ethos. It is Nazca's longstanding belief that responsible investment creates value in the real economy. Our understanding of responsible investment stems from the following rationales:

- We recognize a social role for investing, as a means of supporting economic activity that upgrades rather than damages natural and social capital.
- We recognize that ESG factors are forward-looking insights that help us flagging winners and losers over the long term in a rapidly changing business landscape.
- We recognize that responsible investment is a good for business approach that brings operational and cultural changes to our investees potentially generating short- and medium-term financial value (whether from cost savings, revenue generation or value at risk).

Responsible Investment approach along the investment cycle. On this basis, Nazca commits to integrate non-financial ESG considerations as a core value-creation strategy from the initial companies' screening stages, to the end of its investment life.

We will assess companies' compliance against internationally-recognized ESG standards, such as the UN Global Compact and the ILO's Fundamental Conventions. This ESG assessment should be considered as an additional layer on top of applicable local regulations. Where local legislation is more stringent, the local legislation should be applied.

Responsibilities. To transform responsible investment into a lever that will improve our portfolio's value and our investee companies' ESG practices, it is fundamental that our investment professionals become familiarized with the procedures and requirements to integrate ESG matters into their daily investment decisions. Therefore, Nazca provides them with the necessary tools and training to assume this task and implement this Policy.

The company's Responsible Investment practices are endorsed by Nazca's Investment Committee.

Excluded sectors and companies. Prior to starting an investment decision, Nazca will filter potential investees against its list of excluded companies and sectors on which its funds shall not contemplate to invest in:

- Companies engaged in the manufacture or sale of weapons, artillery and ammunition.
- Companies engaged in the production/commercialization of pornography contents, and prostitution.
- Companies engaged in the manufacture or sale of tobacco.
- Companies which deliberated and repeatedly violate laws and regulations within the markets in which these operate.

Due diligence process. Nazca investment decision process is gradually including a formal assessment of target companies on general ESG factors that could pose risks and opportunities for their short and long term value creation along the life of the investment. ESG issues do not only potentially affect the companies' ability to generate financial value and maintain it in the long term, but can also have an impact on their employees, suppliers, clients, the environment, local communities and on the society as a whole.

Nazca expects that its portfolio companies comply, as a minimum, with applicable laws, with the ILO's Fundamental Conventions and with the 10 Principles of the UN Global Compact which aim to ensure the respect for human and employee rights, the environmental protection, and the avoidance of any forms of corruption and bribery.

When a risk of material non-compliance has been identified, companies would be asked to effectively manage those detected risks in order to reduce them. At this point, Nazca would ensure that those requirements have been well understood and that the company has planned actions and provision enough resources to put in place the corresponding mitigation measures.

Post-Investment agreement. If it is determined that an immediate action is needed to address any potential material issues, we will support the company in the design of specific ESG measures, ensuring this way the correct mitigation of the risks in the shortest term possible.

Ownership period engagement. As a Private Equity House, our investments have a long term horizon, allowing us to engage (depending on each case, to a different extent) the investee companies to the management of ESG issues. Understanding their impacts, constrains, and their structures, as well as their track record, and clearly communicating

them our responsible investment approach, is key to achieve fruitful results and shared value from this engagement.

Nazca will include ESG topics in the ongoing dialogue and monitoring of investee companies with the aim to encourage their management teams to include ESG initiatives in their activity and promote good practices and continual improvement.

Reporting standards. We will promote ESG reporting among its investee companies to inform investors, stakeholders, and ourselves about their performance and progress.

Additionally, on an annual basis, we will disclose our ESG performance and improvements through the annual PRI reporting process.

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