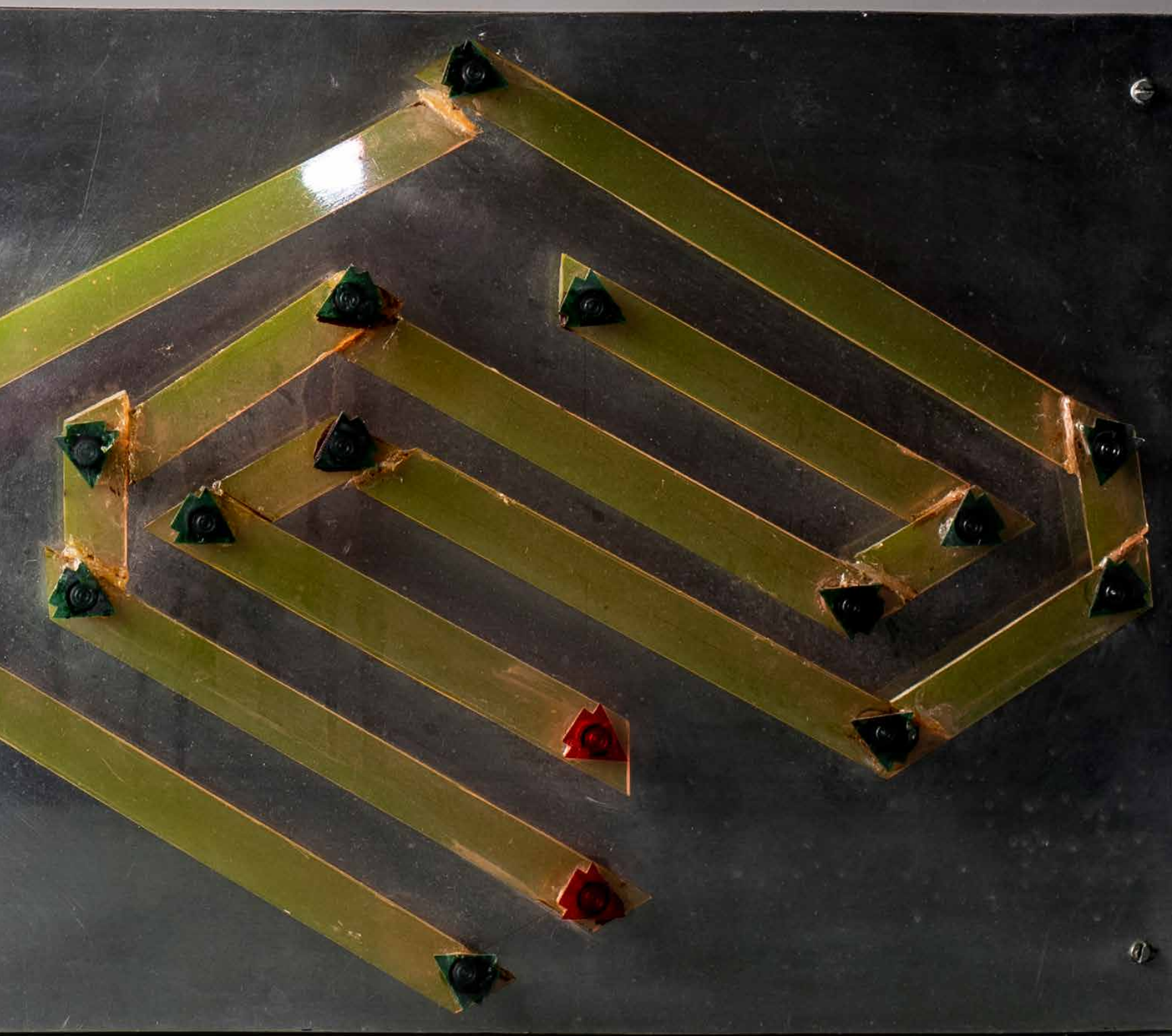


# NON-FINANCIAL INFORMATION STATEMENT

OF CORPORACIÓN FINANCIERA  
ALBA, S.A. AND SUBSIDIARY  
COMPANIES FOR THE 2019  
FINANCIAL YEAR

---





# NON-FINANCIAL INFORMATION STATEMENT

---

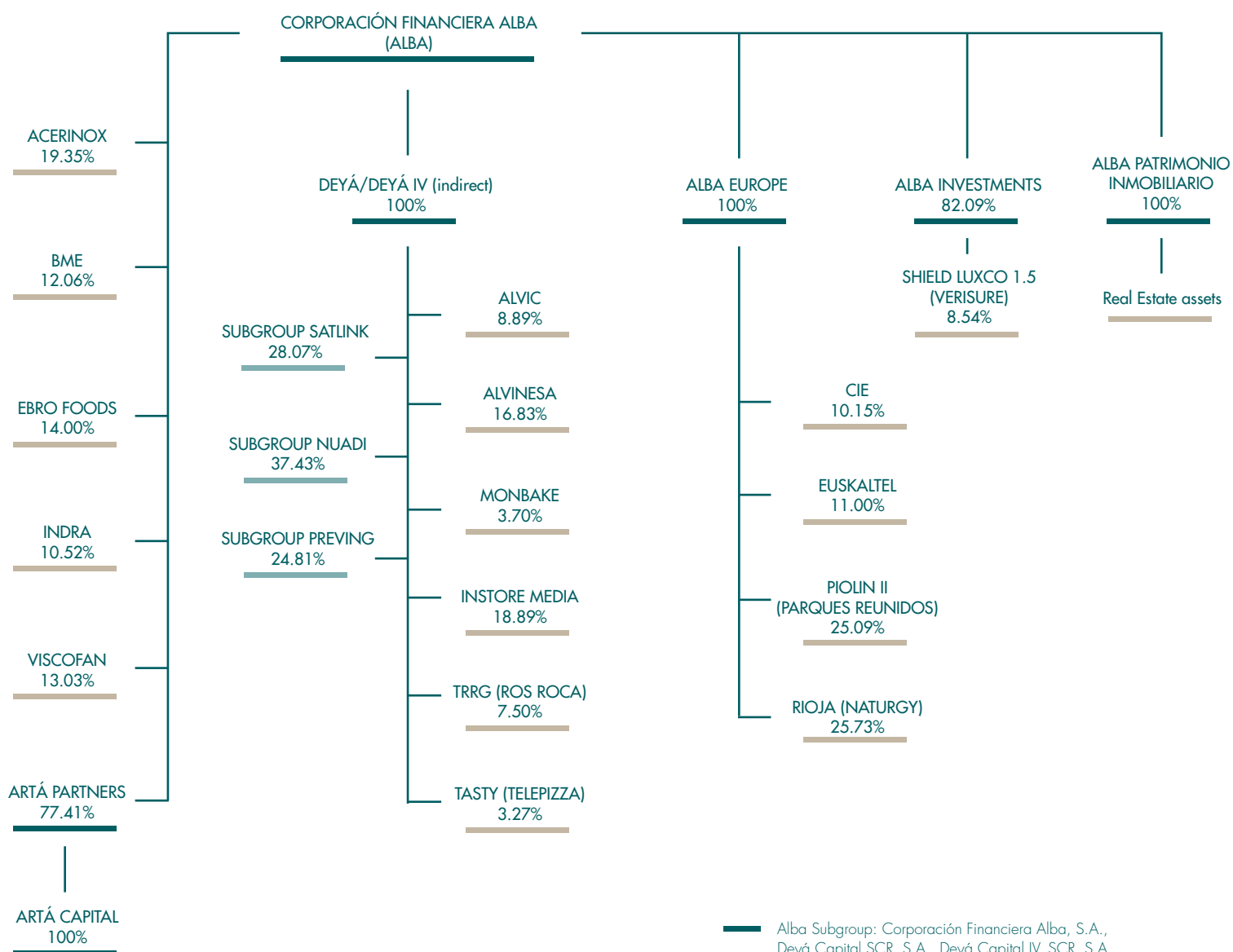
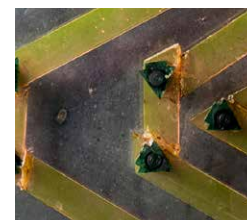
## 1. INTRODUCTION

---

The organisational structure of the Alba Group is set out below.

This Non-Financial Information Statement, forming part of the consolidated directors' report of the Alba Group, is published in fulfilment of Law 11/2018, of 28 December 2018, amending the Spanish Commercial Code, the Recast Text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of 2 July 2010, Accounts Auditing Law 22/2015, of 20 July 2015, with regard to non-financial information and diversity reporting (the Non-Financial and Diversity Reporting Law).

Corporación Financiera Alba, S.A. (hereinafter **Alba** or the **Alba Group**) is an investment firm which holds significant stakes in various listed and non-listed companies operating in a range of economic sectors. It also holds stake in companies through venture capital operations.



Alba Subgroup: Corporación Financiera Alba, S.A., Deyá Capital SCR, S.A., Deyá Capital IV, SCR, S.A., Alba Europe, Sàrl., Alba Investments, Sàrl., Alba Patrimonio Inmobiliario, S.A., Artá Partners, S.A. and Artá Capital SGEIC, S.A.U.



# NON-FINANCIAL INFORMATION STATEMENT

---

The scope of this Non-Financial Information Statement includes the activities of the Alba Group and those of the Satlink, Nuadi and Preving subgroups (its Subsidiaries).

It has been prepared on the basis of the Global Reporting Initiative (GRI) guidelines for the preparation of sustainability reports, this being the internationally recognised standard, fulfilling the principles and content defined by the most up-to-date version of the guide, GRI Standards.

Consideration was also given to the context and regulations of the sectors in which the subgroups operate, sectoral trends and best practice in order to determine which non-financial aspects are relevant for the Alba Group. The following were consequently identified as the key relevant aspects:

- Talent attraction and retention.
- Compliance and business ethics.
- Diversity and equality.
- Health and safety at work.
- Consumer safety and satisfaction.
- Company commitment to society.

- Energy efficiency and environmental management.

This Non-Financial Information Statement describes the main lines of performance outside the financial sphere regarding:

- Issues concerning staff and Human Rights.
- Environmental and social issues.
- Issues concerning anti-corruption and anti-bribery.

## Events subsequent to the close-of-year

On 11 March 2020 the World Health Organization declared the health crisis caused by COVID-19 to be an international pandemic. Within this context, the Spanish Government issued Royal Decree 463/2020, of 14 March 2020, declaring a state of emergency for at least 15 calendar days throughout the country in order to address said health crisis. The measures implemented by the aforementioned Royal Decree include, among others, a restriction on the free movement of people and the temporary suspension of certain business activities.



This situation is having a significant impact on the global economy. The impacts of the aforementioned health crisis will be defined by its duration, the effect of the measures adopted for this purpose, how the situation is resolved, and other factors connected with the economic climate within which the Company operates.

In order to mitigate the economic impacts of the crisis, on 18 March Spain saw the publication of Royal Decree-Act 8/2020, of 17 March 2020, on extraordinary urgent measures to address the economic and social impact of COVID-19.

By the date when this Non-Financial Information Statement was drawn up there had been no significant consequences for the Group, and it is not possible to make any reliable estimate as to the impact that this crisis could have in the future on the Company or its investee companies (see note 30 - Events Subsequent to the Consolidated Annual Accounts of Corporación Financiera Alba, S.A. and Subsidiaries corresponding to the 2019 financial year).

## 2. BUSINESS MODEL

---

**Alba** is an investment company founded in 1986 and listed on the Continuous Market of Spanish Stock Exchanges, holding significant stakes in a number of listed and non-listed companies operating in various economic sectors. It is also engaged in real estate leasing operations, and holds stakes in companies through venture capital.

Alba's aim is to generate long-term value for its shareholders, and it has in place an Investment Policy which establishes a responsible investment philosophy, based on certain principles and criteria which guide the course of its operations.

One of these principles is the need for a high level of understanding of its investments, both in the initial analysis and in the continuous monitoring applied to the company in which the investment is made, the sector in which it functions, and the markets in which it operates. It therefore establishes the most appropriate procedures in order to ascertain the quantitative and qualitative aspects defining the activities of investee companies, which are particularly relevant in Alba's long-term decisions. When necessary, it draws on external consultancy for this purpose.

# NON-FINANCIAL INFORMATION STATEMENT

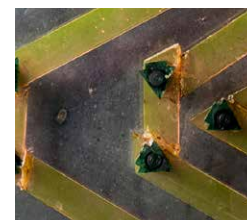
---

In terms of geographical scope, the need to diversify risk has prompted the Group to opt for both domestic and international investment, the aim being that investments should preferably be made in conjunction with local partners, and in companies that stand out in terms of stability, reliability and security. Active participation in the companies and other assets in which the company invests is another key principle of Alba's responsible investment, reflected in the representative status of shareholdings and the responsibility, dedication and commitment shown to investee companies.

Alba sees its credibility and reputation in terms of its long-term commitment and fulfilment of the principles of corporate good governance and ethical conduct promoted by the company. It therefore encourages advanced policies at its investee companies in the spheres of good governance, and environmental, employment, social and taxation aspects. Meanwhile, potential conflicts of interest between investee companies are avoided, as are investments in sectors that could potentially be controversial from the legal or social perspective.

The **Preving** subgroup has extensive infrastructure in place at the national level, with business operations in the following areas:

- Occupational risk prevention plan consultancy;
- Safety-at-work plans to reduce or eliminate risks connected with occupational illnesses and/or accidents;
- Industrial hygiene, through the prevention of physical, chemical or biological risks that could arise in an occupational context;
- Health monitoring, employing the specialist field of Occupational Medicine to oversee the impact of working conditions for employee health;
- Applied psychosociology, prevention of psycho-social risks, corresponding to those derived from interactions between the organisational characteristics of the job and the capabilities, needs and expectations of the worker;
- Health promotion at work-advice on strategies to prevent occupational risks and to maintain the health and quality of life of employees;



- Coordination of company activities, through advice as to compliance with obligations in this field.

The main activity of the **Nuadi** subgroup is the manufacturing and marketing of disk brake pad components for different applications: motorbikes, cars, road freight transport, public works and railways. It focuses its products above all on the spare parts market, accounting for 94% of total output, with the remaining 6% corresponding to the development of the OEM and original spares market.

The **Satlink** subgroup is a leading technological group in R&D solutions for sustainable fishing and satellite communication services, with 98% of sales generated through its own products. It is the world number one in smart buoys for tuna fishing. It is also a leader in fishing resource management solutions and in satellite telecommunications for the maritime and defence sectors.

### 3. INFORMATION ON SOCIAL AND STAFF-RELATED ISSUES

---

#### 3.1. Policies

**Alba** promotes both directly and indirectly in its investee companies, the values and ethics required in order to forge integrated, skilled teams working to achieve corporate sustainability. The commitment given by Alba and its Subsidiaries with regard to equal opportunities for employees ensures that selection, contractual terms, working conditions and professional development are based solely on criteria of merit and the necessary skills requirements in each case, excluding discriminatory criteria of any kind and fostering a working atmosphere that supports dignity and respect.

Alba and the subgroups referred to in this report have protocols and procedures in place allowing them to develop these principles and objectives.

The **Preving** subgroup also has an Equality Plan.



# NON-FINANCIAL INFORMATION STATEMENT

This commitment to people may be seen in the creation of stable jobs, professional development of employees, providing healthy working environments with respect for diversity, equal opportunities and work-life balance. The Alba Group's commitment to employment may be seen directly in the number of employees it has, and indirectly in the total number of jobs created both directly and indirectly at all its investee and Subsidiaries, along with the promotion of good practice in the field of human resources.

## 3.2. Social management and performance

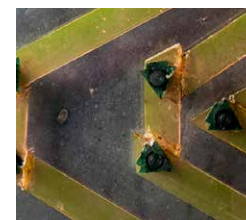
### 3.2.1. Employment and remuneration

Aware of the value of human capital, Alba seeks to maintain favourable employment

policies aligned with the needs of its workforce, as well as the specific operational requirements of the company. Talent management and retention, and the offer of decent employment, appropriate professional development, good conditions on permanent contracts and social benefits allow the company to maintain low staff churn ratios year after year.

Alba and its Subsidiaries had an overall total of 1,562 employees at the close of 2019. 90% of its workforce are on permanent contracts. The details of the workforce at the close of the financial year are set out below, including the employees of Alba Group and its Subsidiaries in Spain.

Workforce breakdown by gender	Men	Women	Total
Permanent contract	697	705	1,402
Temporary contract	91	69	160
<b>Total</b>	<b>788</b>	<b>774</b>	<b>1,562</b>
Full time	687	493	1,180
Part time	101	281	382
<b>Total</b>	<b>788</b>	<b>774</b>	<b>1,562</b>
Average remuneration	41,441	26,772	
Number of dismissals	3	4	7



Workforce breakdown by age	<35 years	36-50 years	>51 years	Total
Permanent contract	263	846	293	1,402
Temporary contract	68	74	18	160
<b>Total</b>	<b>331</b>	<b>920</b>	<b>311</b>	<b>1,562</b>
Full time	263	670	247	1,180
Part time	68	250	64	382
<b>Total</b>	<b>331</b>	<b>920</b>	<b>311</b>	<b>1,562</b>
Average remuneration	23,907	28,965	60,501	
Number of dismissals	4	2	1	7

Workforce breakdown by professional category	Operatives and administrative staff	Middle management	Executives	Total
Permanent contract	1,272	106	24	1,402
Temporary contract	160	0	0	160
<b>Total</b>	<b>1,432</b>	<b>106</b>	<b>24</b>	<b>1,562</b>
Full time	1,060	96	24	1,180
Part time	372	10	0	382
<b>Total</b>	<b>1,432</b>	<b>106</b>	<b>24</b>	<b>1,562</b>
Average remuneration	27,158	71,596	287,428	
Number of dismissals	7	0	0	7

Employees with disability	Total
Number of employees with disability at close of financial year	17

# NON-FINANCIAL INFORMATION STATEMENT

---

Both **Alba** and its Subsidiaries demonstrate their commitment to maintaining an employee remuneration model that ensures effective application of the principle of equal pay for work of equal value, and the absence of any salary differences based on gender or any other grounds for discrimination, with the distribution of compensation being based on salary bands in accordance with levels of responsibility, the type of work performed, alignment with market rates of pay for jobs with the same conditions, while also taking into account the sustainability of the company in this regard.

The salary gap is measured as the difference between the average pay received by men and that received by women. During this financial year Alba included the figures for its Subsidiaries in order to combine the remuneration received by all employees included within the consolidation scope, giving a gross figure of 35%. This difference is the result of the fact that men with more years of service at the parent company hold most of the senior positions, along with the existence of a large many technical and administrative posts held by women. As mentioned previously, the remuneration models applied are free of any element of gender discrimination, although

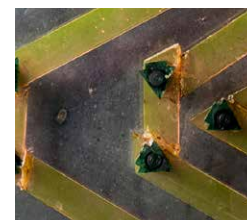
Alba strives to redress these differences through effective application of the principle of equality.

## *3.2.2. Organisation of work*

The **Alba** Code of Ethics and Conduct includes respect for the personal and family life of its professionals, and the company applies measures intended to facilitate the option of flexibility and work-life balance for its employees.

In this regard Alba's Subsidiaries have specific work-life balance and flexible working measures in accordance with the characteristics of each company.

Specifically at the **Preving** subgroup, working hours are defined on the basis of employee productivity, with appropriate occupational flexibility. Policies are likewise promoted to achieve a balanced family life. A digital disconnection protocol is also being developed. The implementation of these work-life balance policies has earned the Preving subgroup the Reconcilia seal of approval.



At the **Nuadi** subgroup, a flexible working agreement was reached during 2019, offering the possibility of working split hours for those employees who so require.

The organisation of working hours at the **Satlink** subgroup is established on the basis of the applicable collective agreement, with appropriate flexibility also being

encouraged in terms of arrival and departure times. Measures are likewise promoted to allow employees to switch off from their work, including, for example, meetings never being scheduled outside office hours. Measures are likewise implemented to allow employees to strike a balance between their personal lives and their professional development at the company.

	Total
Number of hours of absence registered during the financial year for all employees <sup>(1)</sup>	124,136

(1) Hours of absence: Total hours of absence from work because of common or occupational contingencies.

### 3.2.3. Health and safety

**Alba** has specific commitments in place in the field of health and safety, as set out in its Code of Ethics and Conduct and the procedures and manuals established for this purpose.

The **Preving** subgroup has certified health and safety management systems.

The **Nuadi** subgroup has occupational risk prevention plans and systems in place.

Alba and its subgroups have measures to monitor and promote Health and Safety at Work, and develop training initiatives for employees in this field, health monitoring programmes, and external audits to ensure that the procedures established in this sphere are being properly applied, among other aspects.

# NON-FINANCIAL INFORMATION STATEMENT

Health and safety indicators	Men	Women
Frequency index <sup>(1)</sup>	13.94	14.22
Seriousness index <sup>(2)</sup>	0.24	0.52
Occupational illnesses	0	0
Number of deaths	0	0

(1) Frequency Index: Number of occupational accidents causing absence x 1,000,000/total number of effective hours of work.  
 (2) Seriousness Index: Number of days not worked because of occupational accidents causing absence x 1,000/total number of effective hours of work.

### 3.2.4. Labour relations

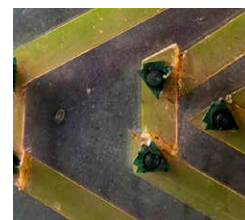
Alba and its Subsidiaries aim for effective and detailed management of labour relations with employees, ensuring that the employment rights of all workers are fulfilled. Industrial relations are likewise based on the various applicable collective agreements, ensuring that the principles set out in each of them are respected and adhered to:

- Madrid Regional Collective Agreement for Office Work for **Alba**.
- Collective Agreement for Risk Prevention Service Companies for the **Preving** subgroup.
- Navarre Regional Collective Agreement for the Steel and Metal Industry for the **Nuadi** subgroup.

- Metal Trade Collective Agreements for the Madrid Region and for Pontevedra Province, and the National Engineering Firms and Technical Study Offices Agreement for **Satlink**.

At those companies where this requirement applies, there are Works Councils and/or trade union representatives to oversee compliance with the principles established in the relevant collective agreements, and to establish channels for fluid communication among all workers and bodies belonging to the company. In total, 88% of Alba Group employees and their Subsidiaries in Spain are covered by a collective agreement.





### 3.2.5. Training

**Alba** has training procedures in place in accordance with employee needs, covering the characteristics of the roles they perform, their career and professional development, which means that resources are focused on the requirements of each job and the current market.

The **Satlink** subgroup has an Occupational Risk Prevention Training Policy for work undertaken on board ships, as well as a technical training for developers and technical staff. It likewise has specialist programmes in place covering its clients' own technologies in order to improve efficiency in the use of the solutions and products offered by the company.

Workforce breakdown by professional category	Operatives and administrative staff	Middle management	Executives	Total
Training Hours	6,241	810	342	7,393

# NON-FINANCIAL INFORMATION STATEMENT

---

## 3.2.6. Accessibility and equality

The **Alba** Code of Ethics and Conduct sets out non-discrimination and equal opportunities principles intended to achieve a commitment to create a working environment in which all employees enjoy fair treatment, respect and dignity, rejecting any form of violence or harassment, abuse of authority, or any other conduct in breach of workers' and human rights. When general meetings are held, access is also facilitated on the part of people with disability and the elderly, in terms both of access to prior information and facilities in casting votes, reaching the venue and following the meetings.

Those measures that go beyond regulatory compliance in the field of accessibility and equality would include in particular those adopted at the **Preving** subgroup, where 95% of premises have measures to improve worker accessibility (elimination of steps and adapted toilets). With regard to product and service accessibility, training materials are available in accordance with workers' needs (spoken materials for workers with visual disability, graphical documentation for staff with hearing disability, and training material in sign language).

## 4. INFORMATION REGARDING ENVIRONMENTAL ISSUES

---

### 4.1. Policies

**Alba** declares as part of its Code of Ethics and Conduct respect for the environment both in behaviour resulting from its direct activities and also environmentally responsible behaviour at the companies in which it invests. It likewise has in place a Corporate Social Responsibility Policy highlighting its firm commitment to preserve the natural environment and reduce any negative impact resulting from its activities, with a particular emphasis on combating climate change. The definition of these commitments provides the baseline for the Alba Group's actions focused on preventing pollution and achieving the responsible and sustainable use of resources, as well as proper waste management. The Investment Policy has also since 2017 included criteria for the evaluation of responsible investment from the environmental perspective.

The **Preving** and **Nuadi** subgroups have an environmental management system in place with certification under international standard ISO 14001:2015, assisting in their response to compliance with



the environmental values and principles established in the corresponding Environmental Policy.

Lastly, the **Satlink** subgroup has implemented a Quality and Environment Policy focused on fulfilling a series of measures to protect biodiversity, reduce the consumption of water, energy and other resources, avoid waste generation, and combat climate change.

## 4.2. Environmental management and performance

### 4.2.1. Energy and climate change

Energy consumption at **Alba** is derived essentially from the use of lighting systems, climate control systems and IT equipment at the offices and buildings that it owns. In order to reduce such consumption a number of different energy efficiency measures have been established, such as replacing traditional light bulbs with LED systems, remodelling of buildings to improve energy efficiency, and external energy efficiency audits and checks conducted to assist the Alba Group in reducing its environmental impact.

The emissions generated at Alba and its **Preving** subgroup are likewise derived from

the use of company fleet vehicles. With a view to cutting the resulting emissions and reducing its carbon footprint, Alba is replacing petrol and diesel vehicles with hybrid and electric models.

In the case of the industrial facilities of the **Nuadi** subgroup, measures have been established to reduce energy consumption at the company, based on the planning of legal reviews, energy inspections of boilers and coolers, as well as an energy audit process.

Energy consumption	2019
Electricity consumption (MWh)	7,986.35
Natural gas consumption (MWh)	3,739.14
Diesel consumption (litres)	136,774.00

Greenhouse gas emissions (tonnes of CO <sub>2</sub> eq)	2019
Scope	
Scope 1	1,100.02
Scope 2	3,274.40
Total	4,374.43

# NON-FINANCIAL INFORMATION STATEMENT

## 4.2.2. Sustainable use of resources and the circular economy

**Alba** has adopted a series of measures which, as mentioned previously, aim to improve efficiency and the sustainable and responsible use of resources. As the main material used to undertake its activities is paper, with a view to minimising consumption Alba has a digital archive in place for all departments, used to consult, download and share files, thereby minimising paper consumption. All paper used is likewise certified with the FSC environmental stamp.

At the **Preving** subgroup, the main materials consumed are the disposable sanitary materials used for medical examinations. Preving also conducts internal campaigns promoting responsible and sustainable use of paper at its offices. As for water consumption, this is obtained from the water mains supply.

In the production process of the **Nuadi** subgroup, the main raw material input is steel rolls of various sizes, while surplus material is sent to a metal waste manager once the manufacturing process is complete. Water consumption and optimisation is covered by the phases planned for the forthcoming Waste Reduction Plan.

Lastly, the **Satlink** subgroup aims to minimise the impact caused by product designs and installations in its production processes. The solar buoy is a particularly notable example of this, requiring no battery replacements over the course of its useful life, thereby avoiding the use of lead batteries and fuel cells in the manufacturing process, alongside progress made in reducing the use of materials in buoy production.

Consumption of materials	2019
Consumption of sanitary water (m³)	46,415.00
Paper consumption (kg)	31,577.50

Meanwhile, **Alba** continues to incorporate specific measures to reduce waste generation and to ensure that waste is properly handled and managed at all its Subsidiaries. Alba offices have replaced plastic water bottles with water coolers, handing out glass bottles to employees to encourage reuse, improving the handling of waste such as coffee capsules, batteries and other office waste, as well as the recycling of pollutant waste such as printer toner cartridges.



At the **Preving** subgroup, given its activities the types of waste generated essentially comprise biosanitary, cytostatic and chemical waste. Waste collection service contracts have been signed with certified external waste managers in order properly to handle this waste.

At the **Nuadi** subgroup a Waste Reduction Plan has been drawn up, with implementation to begin during the 2020 financial year. The main source of waste is the scrap metal left over after the production process. The raw material input comprises different sizes of steel rolls, while the surplus material is transferred to a metal waste manager after manufacturing. As these are small-sized surplus offcuts, they are ideal for use in automatic foundry or steelmaking dosing systems for molten metal composition control. The waste manager sends most of the surplus generated to a foundry, where it is reused in production processes in the automotive sector.

The **Satlink** subgroup reuses components that have been rejected during its production process by repairing them, and if the component cannot be recycled, then it is collected by an authorised waste management company. Satlink has also made contributions through a number of different projects to litter collection at sea and on beaches.

The figures regarding waste generated by Corporación Financiera Alba and its Subsidiaries are set out below, this waste resulting in the main from the industrial operations undertaken by the Nuadi subgroup, with a separate indication of special waste generated by the medical service activities of the Preving subgroup.

Waste generated	2019
Type of waste	
Hazardous (tonnes)	323.66
Non-hazardous (tonnes)	9,039.43
<b>Total</b>	<b>9,363.09</b>



# NON-FINANCIAL INFORMATION STATEMENT

## Special waste generated\*

Manager supplier	Zones	Method of destruction	Volume collected (Kg)
Elirecon	Navarre	Autoclave sterilisation	44.8
Consenur	Catalonia and Canary Islands	Physical-chemical treatment not specified by the organisation	2,998.14
Ferrovial	Madrid, Region of Valencia and Andalusia	Autoclave sterilisation	1,385.8
Dilabo	Albacete	Autoclave sterilisation	4.5
Cannon	Alcobendas	Incineration	10.5
Serkonten	San Sebastian	Incineration	28.0
<b>Total</b>			<b>4,471.7</b>

\*Figures for the Preving subgroup.

## 5. ETHICS, HUMAN RIGHTS AND ANTI-CORRUPTION

### 5.1. Ethical conduct and respect for Human Rights

**Alba** has in place a Code of Ethics and Conduct setting out the values and principles that are to govern its conduct, applicable to all those who in the course of their functions, occupational, commercial or professional relationships are in some way connected. These values include in particular:

- Respect for Human Rights and commitment to the Global Compact, to which the company has subscribed.
- Ethical and legally compliant behaviour.
- Fair and respectful treatment in terms of equal opportunities and non-discrimination.
- Respect for the environment.
- Respect for the interests of other stakeholders of the Company.



- Prudence in the performance of operations, in taking on risks and in relations with clients.
- Processing of information with rigour, integrity and transparency.

The Code sets out mandatory standards of conduct for both employees and the members of the executive management bodies and the Board of Directors of Alba, as well as third parties that have dealings with any of the Group companies.

Likewise, given the emphasis being placed on internal whistleblowing channels, more detailed procedural regulations have been established to handle grievances, allowing for the confidential reporting of any acts or conduct that might be in breach of the applicable regulations or the Code of Ethics and Conduct, at the company, in the actions of third parties that have contractual dealings with it, or to its detriment. The Complaint Channel can be used by all those inside and outside the Company, with the latter including suppliers, contractors and partners of Alba.

Each year Alba reminds those subject to the Code of Ethics and Conduct of its applicability. The 2019 reminder once again set out the general behavioural

standards to be followed, the functions of the Monitoring Committee, the procedure for overseeing compliance with the Code, and any developments regarding the Complaint Channel. It was likewise stated that the process for the individual affected to submit grievances regarding unlawful actions or those in breach of the Code of Ethics via the Corporación Financiera Alba website, email address or by post, guarantees the confidentiality of the whistleblower's identity. No grievances were received in 2019, nor any suggestions or consultations connected with the Code of Ethics and Conduct.

The **Preving** subgroup Code of Conduct contains a commitment to establishing forums of trust with its employees based on a long-term relationship, allowing for optimal personal and professional development, and the company is committed to the defence, respect and protection of fundamental employment rights, compliance with the employment legislation in force and the elimination of forced labour, child labour, or labour conducted under harsh, extreme, subhuman or degrading conditions.

The **Nuadi** subgroup also has a Code of Ethics in place, establishing the behavioural standards and associated values both for those individuals who belong to the organisation and any third parties it might

# NON-FINANCIAL INFORMATION STATEMENT

---

have dealings with at any time, based on constant respect for Human Rights and the established regulations in each case.

The Code of Ethics of the **Satlink** subgroup defines its commitment to Human Rights in its General Standards of Conduct, with reference to the adherence to and respect for the UN Global Compact, and the Declarations of the International Labour Organization. Information via formal and informal channels regarding any practice (or suspected practice) in breach of the company Code of Ethics will be diligently handled in order to eliminate the practice or report any perpetrators who might be involved. This applies equally to both staff and clients and suppliers.

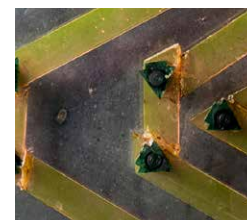
## 5.2. Anti-corruption and anti-bribery management

**Alba** establishes the necessary measures to ensure fulfilment of its duties of oversight in order to prevent the commission of offences covered by its criminal prevention model. Ethical values and responsible behaviour are ever present in the daily actions of all individuals who belong to Alba. In order to safeguard these values, and in particular to combat all forms of corruption, in 2015 the

Board of Directors approved the Criminal and Fraud Prevention Policy.

This policy has resulted in the creation of a Criminal Offence Prevention Model and Criminal Offence Prevention Manual, comprising a series of effective measures focused on prevention, detection and reaction to criminal conduct. It applies to directors, executives and employees, and serves to keep track of potential situations in which irregularities might be committed. The system is based on principles of coordination and participation by all professionals, transparency and communication, effective action, training, etc. serving to guarantee the proper implementation, monitoring and enhancement of the Model. Contracts with third parties are likewise subject to clauses in which they undertake to monitor situations where there is a risk that offences, infringements or serious irregularities could be committed, along with the rejection of corruption and fraud, including extortion, coercion or bribery.

The general behavioural standards of the Alba Code of Ethics and Conduct include a specific reference to bribes, commissions, gifts and favours, rejecting any influence exerted over the decisions of individuals



outside Alba in order to obtain any benefit through unethical practices. Nor are other persons or entities allowed to apply such practices to its employees. Corporate courtesy and hospitality for the benefit of public officials is forbidden in procurement tenders in which Alba is involved, along with facilitating payments and donations to trade unions, political parties, or donations or sponsorships to obtain favourable treatment for Alba. Gifts may only be accepted if they are of an insignificant economic value.

The Code of Ethics and Conduct likewise covers fulfilment of the provisions to prevent money laundering and terrorist financing.

Meanwhile, the **Preveng** subgroup has in place a Crime Prevention Policy, and with regard to gifts, favours, invites and other types of remuneration establishes specific guidelines intended to limit, and in some cases to prohibit gifts and invites, whether offered or received by professionals belonging to the subgroup.

The **Nuadi** subgroup has a number of documents in addition to the aforementioned Code of Ethics governing and controlling any conflicts of interest that might arise in the course of operations, or cases

connected with intellectual property and the confidentiality of the information handled by the company.

## 6. INFORMATION ABOUT THE COMPANY

---

### 6.1. Company commitments to sustainable development

The **Alba** Corporate Social Responsibility Policy establishes the principles and areas helping to improve personal well-being and to foster the economic and social development of the communities where it has a presence, and to create value for the various internal and external stakeholders. The company's main social responsibility is to ensure the utmost diligence and integrity throughout the investment process. This approach is based on three principles applied to its investments:

- Long-term view.
- Responsible management, selecting those assets offering the greatest capacity for influence and transformation.

# NON-FINANCIAL INFORMATION STATEMENT

---

- Mitigation of non-financial risks, including social and environmental aspects, and those connected with good governance.

Alongside these aspects, other notable general principles and operational guidelines at Alba include the pursuit of excellence and adoption of best practice with regard to corporate governance, respect for and promotion of human rights, a safe and healthy working environment, and a firm commitment to the preservation of the natural environment.

Alba likewise focuses on its stakeholders, establishing the required channels of communication in order to respond to all their needs and expectations. The scope of application of these commitments of responsibility applies both to the company itself and to the companies belonging to its group. The company similarly strives at all investee undertakings to extend these guidelines and principles of responsibility through its representatives. Alba clearly expresses its commitment to achieving the Sustainable Development Goals through its investments, its own operations, and the activities of the companies in which it holds a stake. As a part of its commitment to the Global Compact in Spain, Alba likewise takes part in training initiatives organised by the corresponding platform, and submits its

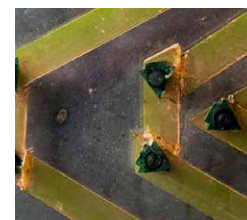
progress report to the organisation. In 2019 it attended 5 meetings that discussed matters connected with sustainable development.

Alba furthermore makes an annual funding contribution to the Juan March Foundation and the FEDEA (Foundation for Studies in Applied Economics), amounting in 2019 to 306.000 euros.

Meanwhile, the **Preving** subgroup is involved with social organisations in the areas where it has a presence, collaborative initiatives with chambers of commerce, business organisations, stakeholders, professional associations and schools. It is likewise involved in social events that contribute value, such as events for charities, conventions, sporting events, social campaigns and other schemes.

The **Satlink** subgroup shows its commitment to these principles of corporate social responsibility by promoting and making an active and voluntary contribution to social and economic development. One of the key values and principles of the Group's corporate project is to support the social integration of groups facing particular difficulties in gaining employment, the occupational integration of people with disability, and groups at risk of social exclusion.





## 6.2. Subcontracting and suppliers

The **Alba Group** extends the principles and values set out in its Code of Ethics and Conduct to its entire value chain, including contractors, suppliers and partners that have a commercial relationship with the organisation. The contracts and conditions established in its dealings with all such entities clearly state the commitment of all third parties to the observation and fulfilment of these principles of respect for human rights, the environment, and regulatory compliance.

The **Preving** subgroup also has a “Compliance Agreement” guiding its relations with suppliers and how they are handled by company staff, ensuring fulfilment of the principles and values established by the company in its Code of Ethics and Conduct.

For its part, the **Nuadi** subgroup has established an internal purchasing procedure applicable to suppliers affecting the product and process, and each year evaluates performance and achievement of the goals set for each supplier by means of a system of periodic audits.

Lastly, the **Satlink** subgroup conducts an ongoing evaluation of its suppliers and

subcontractors on the basis of its responsible purchasing programme, with regard to compliance with environmental, quality and safety at work requirements, conducting this evaluation in terms of both product and process quality, and also social and environmental responsibility aspects.

## 6.3. Consumers

**Alba** and its Subsidiaries apply the relevant procedures with regard to consumer health and safety, and provide its consumers with mechanisms to communicate, raise grievances and submit claims as applicable in each case, in accordance with the type of activity it performs with each of them.

In its real estate operations, **Alba** implements all health and safety measures and deploys all means necessary to coordinate company activities at the buildings that it owns. Tenancy agreements and internal regulatory standards at the buildings likewise establish the necessary channels to handle the various needs in this regard, maintaining a continuous and fluid relationship with tenants.

The **Preving** subgroup has specific measures in place to guarantee the health and safety of the customers of the services that it offers, with a claims and grievances management

# NON-FINANCIAL INFORMATION STATEMENT

---

system accessible to all employees via the Internet, where they are required to enter all grievances and incidents notified by customers, while also offering a centralised customer service phonenumber for claims and complaints. Such complaints are handled in real time, with both a monthly and a twice-yearly loyalty report being drawn up and shared with the executives of the subgroup, including the action plans implemented.

For its part the **Nuadi** subgroup has implemented a management system certified by the IATF (International Automotive Task Force). This is a fully customer-focused system, with complaints management and customer satisfaction monitoring processes being the key to obtaining certification.

For the **Satlink** subgroup, one of its distinctive strengths is its understanding of its customers' needs. This capability is achieved through its proximity to its customers and speed of its response to their requirements, complaints and claims, by means of an open channel of communication, frequent visits and professional service, undertaking installations worldwide and offering a 24x7 telephone support service. The commercial departments also conduct customer satisfaction surveys on a systematic basis, at least once per year.



## 7. CONTENTS OF NON-FINANCIAL STATEMENTS

Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
<b>Business model</b>			
Description of the Group's business model	<ul style="list-style-type: none"> <li>• Description of the business model.</li> <li>• Geographical presence.</li> <li>• Objectives and strategies.</li> <li>• Main factors and trends affecting future development.</li> </ul>	GRI 102-2, GRI 102-4, GRI 102-6, GRI 102-7, GRI 102-15	2. Business model
Main risks	<ul style="list-style-type: none"> <li>• Main risks and impacts derived from Group activities, and how they are handled.</li> </ul>	GRI 102-11, GRI 102-15	2. Business model
<b>Information regarding environmental issues</b>			
Policies	<ul style="list-style-type: none"> <li>• Management focus.</li> </ul>	GRI 103-2, GRI 103-3	4.1 Information on environmental issues - policies
General	<ul style="list-style-type: none"> <li>• Effects of company activities on the environment, health and safety.</li> </ul>	GRI 102-15, GRI 102-29, GRI 102-31	4.1 Information on environmental issues - policies
	<ul style="list-style-type: none"> <li>• Environmental certification or evaluation procedures.</li> </ul>	GRI 102-11, GRI 102-29, GRI 102-30	4.1 Information on environmental issues - policies
	<ul style="list-style-type: none"> <li>• Resources dedicated to environmental risk prevention.</li> </ul>	GRI 102-29	4.1 Information on environmental issues - policies
	<ul style="list-style-type: none"> <li>• Application of the principle of foresight.</li> </ul>	GRI 102-11	4.1 Information on environmental issues - policies
	<ul style="list-style-type: none"> <li>• Provisions and guarantees for environmental risks.</li> </ul>	GRI 307-1	Note 1 on the Consolidated Annual Accounts of Corporación Financiera Alba, S.A. and Subsidiaries for the financial year 2019

# NON-FINANCIAL INFORMATION STATEMENT

Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information regarding environmental issues			
Pollution	<ul style="list-style-type: none"> <li>Measures to prevent pollution.</li> </ul>	GRI 103-2, GRI 302-4, GRI 302-5, GRI 305-5, GRI 305-7	4.2.1 Energy and climate change
Circular economy and prevention and management of waste	<ul style="list-style-type: none"> <li>Measures to prevent and manage waste.</li> </ul>	GRI 103-2, GRI 301-1, GRI 301-2, GRI 301-3, GRI 303-3, GRI 306-1, GRI 306-2, GRI 306-3	4.2.2 Sustainable use of resources
Sustainable use of resources	<ul style="list-style-type: none"> <li>Water consumption.</li> </ul>	GRI 303-1	4.2.2 Sustainable use of resources
	<ul style="list-style-type: none"> <li>Raw materials consumption.</li> </ul>	GRI 301-1	4.2.2 Sustainable use of resources
	<ul style="list-style-type: none"> <li>Direct and indirect energy consumption.</li> <li>Measures taken to improve energy efficiency.</li> <li>Use of renewable energies.</li> </ul>	GRI 103-2, GRI 302-1, GRI 302-2, GRI 302-4, GRI 302-5	4.2.1 Energy and climate change
Climate change	<ul style="list-style-type: none"> <li>Greenhouse gas (GHG) emissions.</li> </ul>	GRI 305-2, GRI 305-3	4.2.1 Energy and climate change
	<ul style="list-style-type: none"> <li>Measures to adapt to climate change.</li> </ul>	GRI 102-15, GRI 103-2, GRI 201-2, GRI 305-5	4.2.1 Energy and climate change
	<ul style="list-style-type: none"> <li>GHG emissions reduction targets.</li> </ul>	GRI 103-2	4.2.1 Energy and climate change
Protection of biodiversity	<ul style="list-style-type: none"> <li>Measures to preserve or restore biodiversity.</li> </ul>	GRI 103-2, GRI 304-3	Not material
	<ul style="list-style-type: none"> <li>Impacts caused by the activity.</li> </ul>	GRI 304-2	Not material



Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information regarding social issues and staff			
Policies	<ul style="list-style-type: none"> <li>• Management focus.</li> </ul>	GRI 103-2, GRI 103-3	3.1 Information regarding social issues and staff - policies
	<ul style="list-style-type: none"> <li>• Total number and distribution of employees by gender, age, country and professional classification.</li> </ul>		3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Total number and distribution of employment contract types.</li> </ul>	GRI 102-7, GRI 102-8, GRI 401-1, GRI 405-1	3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Average annual number of permanent, temporary and part-time contracts, by gender, age and professional classification.</li> </ul>		3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Number of dismissals by gender, age and professional classification.</li> </ul>		3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Average remuneration by gender, age and professional classification or equal value.</li> </ul>		3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Salary gap.</li> </ul>		3.2.1 Employment and remuneration
Employment	<ul style="list-style-type: none"> <li>• Remuneration of equal jobs or company average.</li> </ul>	GRI 102-35, GRI 102-36, GRI 201-3, GRI 202-1, GRI 405-2	3.2.1 Employment and remuneration
	<ul style="list-style-type: none"> <li>• Average remuneration of directors and executives, with gender breakdown.</li> </ul>		Note 27 on the Consolidated Annual Accounts of Corporación Financiera Alba, S.A. and Subsidiaries for the financial year 2019.  There were four women members of the Board of Directors during the 2019 financial year.
	<ul style="list-style-type: none"> <li>• Work switch-off measures.</li> </ul>	GRI 103-2	3.2.2 Organisation of working hours
	<ul style="list-style-type: none"> <li>• Employees with disability.</li> </ul>	GRI 405-1	3.2.1 Employment and remuneration



# NON-FINANCIAL INFORMATION STATEMENT

Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information regarding social issues and staff			
Organisation of work	• Organisation of working hours.	GRI 102-8, GRI 103-2	3.2.2 Organisation of working hours
	• Number of hours of absence.	GRI 403-2	3.2.2 Organisation of working hours
	• Work-life balance measures.	GRI 103-2	3.2.2 Organisation of working hours
Health and Safety	• Health and safety at work conditions.	GRI 103-2	3.2.3 Health and safety
	• Accident rate indicators separated by gender.	GRI 403-2, GRI 403-3	3.2.3 Health and safety
	• Occupational illnesses.	GRI 403-2, GRI 403-3	3.2.3 Health and safety
Labour relations	• Organisation of social dialogue.	GRI 102-43, GRI 402-1, GRI 403-1	3.2.4 Labour relations
	• Percentage of employees covered by collective agreement.	GRI 102-41	3.2.4 Labour relations
	• Overview of collective agreements in the field of health and safety at work.	GRI 403-1, GRI 403-4	3.2.4 Labour relations
Training	• Training policies.	GRI 103-2, GRI 404-2	3.2.5 Training
	• Total training hours by professional category.	GRI 404-1	3.2.5 Training
Accessibility	• Universal accessibility for people with disability.	GRI 103-2	3.2.6 Accessibility and equality
Equality	• Gender equality measures.	GRI 103-2	3.2.6 Accessibility and equality
	• Equality plans.		3.2.6 Accessibility and equality
	• Employment development measures.		3.2.6 Accessibility and equality
	• Sexual and gender harassment protocols.		3.2.6 Accessibility and equality
	• Universal accessibility of people with disability.		3.2.6 Accessibility and equality
	• Anti-discrimination and diversity management policy.	GRI 103-2, GRI 406-1	3.2.6 Accessibility and equality



Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information regarding respect for Human Rights			
Policies	<ul style="list-style-type: none"><li>• Management focus.</li></ul>	GRI 103-2, GRI 103-3, GRI 412-2	5.1 Ethical conduct and respect for Human Rights
Human Rights	<ul style="list-style-type: none"><li>• Application of due diligence procedures.</li></ul>	GRI 102-17, 103-2, GRI 419-1	5.1 Ethical conduct and respect for Human Rights
	<ul style="list-style-type: none"><li>• Measures to prevent and handle any possible abuses committed.</li></ul>		
	<ul style="list-style-type: none"><li>• Complaints of cases of Human Rights violations.</li></ul>		5.1 Ethical conduct and respect for Human Rights
	<ul style="list-style-type: none"><li>• Promotion and fulfilment of ILO provisions.</li></ul>		
Information on combating corruption and bribery			
Policies	<ul style="list-style-type: none"><li>• Management focus.</li></ul>	GRI 103-2, GRI 103-3, GRI 205-2	5.2 Anti-corruption and anti-bribery
Corruption and bribery	<ul style="list-style-type: none"><li>• Anti-corruption and anti-bribery measures.</li></ul>	GRI 103-2	5.2 Anti-corruption and anti-bribery
	<ul style="list-style-type: none"><li>• Measures to combat money laundering.</li></ul>		5.2 Anti-corruption and anti-bribery
	<ul style="list-style-type: none"><li>• Contributions to foundations and non-profit entities.</li></ul>	GRI 103-2, GRI 201-1, GRI 203-3, GRI 415-1	6.1 Company commitments to sustainable development

# NON-FINANCIAL INFORMATION STATEMENT

Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information about the company			
Policies	<ul style="list-style-type: none"> <li>• Management focus.</li> </ul>	GRI 103-2, GRI 103-3	6.1 Company commitments to sustainable development
	<ul style="list-style-type: none"> <li>• Impact of the company's activity on employment and local development.</li> </ul>		
Company commitments to sustainable development	<ul style="list-style-type: none"> <li>• Impact of company activities on the local population and region.</li> </ul>	GRI 203-1, GRI 203-2, GRI 204-1, GRI 413-1, GRI 413-2	6.1 Company commitments to sustainable development
	<ul style="list-style-type: none"> <li>• Ongoing relations with local communities.</li> </ul>	GRI 102-43, GRI 413-1	6.1 Company commitments to sustainable development
	<ul style="list-style-type: none"> <li>• Actions for partnership.</li> </ul>	GRI 102-13, GRI 203-1, GRI 201-1	6.1 Company commitments to sustainable development
Subcontractors and suppliers	<ul style="list-style-type: none"> <li>• Inclusion of ESG aspects in the purchasing policy.</li> </ul>		6.2 Subcontractors and suppliers
	<ul style="list-style-type: none"> <li>• Consideration in the relationship with suppliers and subcontractors of their social and environmental responsibility.</li> </ul>	GRI 102-9, GRI 103-3, GRI 407-1, GRI 409-1, GRI 414-2	6.2 Subcontractors and suppliers
	<ul style="list-style-type: none"> <li>• Systems for supervision and audits, and the corresponding results.</li> </ul>		6.2 Subcontractors and suppliers



Contained in Act 11/2018 on Non-Financial Information Statements		Standard employed	Section of the Report
Information about the company			
Consumers	• Consumer health and safety measures.	GRI 103-2, GRI 416-1, GRI 416-2, GRI 417-1	6.3 Consumers
	• System for handling complaints and grievances received.	GRI 102-17, GRI 103-2, GRI 418-1	6.3 Consumers
Tax information	• Profits earned, by country.		Note 22 on the Consolidated Annual Accounts of Corporación Financiera Alba, S.A. and Subsidiaries for the financial year 2019
	• Profits taxes paid.	GRI 201-1	
	• Public grants received.	GRI 201-4	No Public Authority grants were received during 2019

# NON-FINANCIAL INFORMATION STATEMENT

---

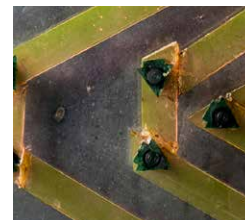
INDEPENDENT LIMITED  
ASSURANCE REPORT ON  
THE CONSOLIDATED  
NON-FINANCIAL  
STATEMENT

---

## **Corporación Financiera Alba, S.A. and Subsidiaries**

Independent limited assurance report  
on the Consolidated Non-Financial  
Statement for the fiscal year ended  
31 December 2019.

Translation of a report originally issued in Spanish. In the  
event of a discrepancy, the Spanish-language version  
prevails.



*Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.*

# Deloitte.

Deloitte, S.L

Plaza Pablo Ruiz Picasso, 1  
Torre Picasso  
28020 Madrid  
España

Tel: +34 915 14 50 00

[www.deloitte.es](http://www.deloitte.es)

## INDEPENDENT LIMITED ASSURANCE REPORT

To the shareholders of Corporación Financiera Alba, S.A.:

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the Non-Financial Information Statement (NFIS) for the fiscal year ended 31 December 2019 of Corporación Financiera Alba, S.A. and subsidiaries ("Corporación Financiera Alba"), which forms part of Consolidated Directors' Report of Corporación Financiera Alba.

The content of the Directors' Report includes information, additional to that required by current Spanish corporate legislation relating to non-financial, that has not been the subject of our verification work. Accordingly, our work has been limited exclusively to the verification of the information identified in the section "Contents of Non-Financial Statements", which is included in the attached Directors' Report.

### Responsibilities of the Shareholders and the Directors

The preparation and content of the NFIS included in the Directors' Report of Corporación Financiera Alba are the responsibility of the Directors of Corporación Financiera Alba. The NFIS was prepared in accordance with the content specified in current Spanish corporate legislation and following the criteria of the Sustainability Reporting Standards de Global Reporting Initiative (GRI standards) selected, as well as other criteria according to the mention for each matter in the section of the NFIS "Contents of Non-Financial Statements".

This responsibility also includes the design, implementation and maintenance of such internal control as is determined to be necessary to enable the NFIS to be free from material misstatement, whether due to fraud or error.

The Directors of Corporación Financiera Alba are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about economic, social and environmental performance.

### Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed, which relates exclusively to the financial year 2019.

We conducted our review in accordance with the requirements established in International Standard on Assurance Engagements

# NON-FINANCIAL INFORMATION STATEMENT

---

(ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information, currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements on regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance provided is also lower.

Our work consisted in requesting information from management and the various units of Corporación Financiera Alba that participated in the preparation of the NFIS, reviewing the processes used to compile and validate the information presented in the NFIS, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Corporación Financiera Alba personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external verification.
- Analysis of the scope, relevance and completeness of the contents included in 2019 NFIS according to the business, sector and nature of Corporación Financiera Alba's operations, considering the contents required by the mercantile regulations in force.
- Analysis of the processes used to compile and validate the data presented in the 2019 NFIS.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters described in the NFIS of 2019.
- Verification, by means of sample-based review tests, of the information relating to the contents identified in the NFIS of 2019 and the appropriate compilation thereof based on the data furnished by the information sources.
- Obtainment of a representation letter from the directors and management.

---

## Conclusion

Based on the procedures performed and the evidence obtained, no aspect has been revealed that makes us believe that the NFIS of Corporación Financiera Alba and subsidiaries corresponding to the annual year ended on December 31 of 2019 has not been prepared, in all its significant aspects, in accordance with the contents contained in current commercial regulations and following the criteria of the GRI standards selected, as well as those other criteria described according to what is mentioned for each subject in the section of the NFIS "Contents of Non-Financial Statements" of the 2019 Directors' Report.

---

## Use and distribution

This report has been prepared in response to the requirement established in the commercial regulations in force in Spain, so it may not be suitable for other purposes and jurisdictions.

DELOITTE, S.L.



Ignacio Ramirez  
March 31<sup>st</sup>, 2020

This report corresponds to the distinctive stamp no. 01/20/09898 issued by the Spanish Institute of Chartered Accountants.

