



Phi Asset Management
Partners, SGEIC, S.A.

**Annual Report
Engagement Policy**

Report referring to fiscal year 2022

1. Introduction

This report details the application of the engagement policy followed by PHI Asset Management Partners, S.G.E.I.C., S.A. (hereinafter, the "Company" or the "AIFM") in all the vehicles and portfolios whose management has been entrusted to it during fiscal year 2022.

In this policy, the AIFM considers that a medium and long-term investment strategy is essential for responsible asset management and therefore in the best interest of the vehicles and portfolios managed and of the end clients.

Thus, this report is prepared and published in compliance, mainly, with the Law on Collective Investment Institutions (hereinafter "LIIC") and the Law regulating venture capital companies (hereinafter "LECR"), Directive 2017/828 (known as SRD II) of the European Parliament and its implementing Regulation, as well as other implementing regulations, specifically Law 5/2021, of April 12th, amending the revised text of the Spanish Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2nd, and other financial regulations.

The most relevant actions carried out throughout 2022 in application of the Engagement Policy are detailed below.

2. Analysis and follow-up of investments and dialog with companies

The AIFM carries out prior and periodic monitoring of the companies held in the portfolio of the Closed-Ended Collective Investment Institutions (hereinafter "Managed Institutions"). The purpose of monitoring is to ensure that the investment continues to be in accordance with the criteria and principles set out in the Company's policies and that these are in the best interest of the managed institutions.

This monitoring takes into account all the information published by the Companies, such as relevant facts, periodic information, notices of general meetings, financial and non-financial information statements, as well as ESG (Environmental, Social and Corporate Governance) elements or criteria.

As a result, during 2022 the management team interacted with more than 7 companies. Within these active dialog activities, the following topics generally stood out:

- Issues related to the corporate governance of the Companies, such as changes in management positions or changes in the Board of Directors.
- Issues related to the restructuring process of the companies, both at the production and sales levels.
- In environmental matters, understanding of the expected objectives and sustainability policies.
- In the area of financial reporting, discussions have been held on upcoming objectives and plans for the short and medium term, as well as an exhaustive control of its financial statements on a monthly basis.

3. No investment in listed companies

As a result of the active dialogs carried out by the Company and in accordance with the provisions of the Investment Policies of the prospectuses of the managed institutions - and reflected in the Long-Term Shareholder Engagement Policy - the Company states that during the current period it has not made any investments in listed entities.

It is for this reason that the management company PHI Asset Management Partners, S.G.E.I.C., S.A., through the publication of this Annual Report on the application of the Long-Term Shareholder Engagement Policy, complies with the transparency requirement of the new article 67 bis of the LECR, section six: *"In the event that management companies decide not to comply with one or more of the obligations regulated in the preceding paragraphs, a clear and reasoned explanation of the reasons for this must be published."*

However, "the Manager" is fully aware that in the event that any of its managed institutions or even the Manager itself includes in its investment portfolio shares admitted to trading on a regulated market that is located or operates in a Member State, this fact will be reflected in the next Annual Report on the Engagement Policy.