



## 2019 Sustainability Report

Important note regarding the relationship between The Visuality Corporation and NOABRANDS, and the information contained in this report: as of February 2020, we have merged our two parent sister companies and rebranded our Group as NOABRANDS. All information contained in this report applies to the new NOABRANDS. In 2020 we will publish our annual sustainability report under the NOABRANDS name.

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# 01. THE VISUALITY CORPORATION: A SUSTAINABLE MODEL

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The Visuality Corporation is the world's leading company in the design, production and marketing of visual merchandising for the retail sector. With presence in America, Europe and Asia, we manufacture and distribute our products in the five continents. Throughout our history, our priority has always been to offer a unique and world class product and service to all our customers, as well as to accompany them in their growth and expansion.

## OUR HISTORY

The Visuality Corporation (TVC) dates back to 1978 and 1900 when the companies Atrezzo and Marceló Vilá, respectively, were founded. **Atrezzo** was born with the conception of being a family business specialized in the design, development and manufacture of mannequins. On the other hand, the purpose of the creation of **Marcelo Vilá** was to offer an integral service to the national and international retail market.

In 2009, both companies, acquired by Miura Private Equity, merged to become the brand **Noa Visual Group**. This merger was a step forward as Europe's leading manufacturer of mannequins for Retail.

In 2013, following an internationalization strategy, the Group acquired the American company **Visual Merchandising Inc** (with the brands Fusion and Goldsmith). As a result of this acquisition, **The Visuality Corporation** Group was created.

In 2014, a Spanish fund together with a European family office acquired the majority of the group's shareholders to redefine and consolidate the group's strategy following three fundamental pillars:

- Global expansion from the opening of new stores and renovations of existing stores.
- Attract new customers from TVC's unique positioning and competitive advantages.
- Create synergies through the integration of subsidiaries in the United States and Europe.

Following this strategy of consolidation and internationalization in the mannequin sector, in 2015 **Falcon Industries**, a company specializing in the production of displays and metal shelving, was acquired to diversify its business.

In 2016, TVC bought the Italian company **Almax, S.p.A.**, a benchmark brand in the sector that allowed the group to expand its product range and integrate the sustainable production that characterizes Almax.

**Perch Interactive**<sup>1</sup> has been the last company in which the group has invested in 2016 to expand its verticals with the offer of technology.

## OUR BRANDS

The addition of the **trajectory, experience and dedication** of each and every one of the brands that make up The Visuality Corporation, has led us to work with the most important clients in the world of retail who trust our products thanks to the continuous investment in development and research that make our group a reference company in the sector.

Each of our brands has a history that makes it unique and gives it its own characteristics:

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### ATREZZO



Atrezzo was born in 1978 with the aim of offering high design and quality products to large chains in the global fashion industry.

The design and manufacture of all the product ranges offered is done in Spain, following the most advanced and innovative techniques in addition to the knowhow and history. These, together with the ability to give a quick response to the client and a sharp interpretation of fashion, Atrezzo makes unique proposals developing relationships of collaboration and trust.

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### FUSION



Founded in 1986, it is defined as a sculpture company of moments from the manufacture of mannequins in movement.

The organization pioneered the use of E-Flex<sup>2</sup> and magnetic accessories and is now the world's largest manufacturer of custom polyurethane mannequins.

The products are focused on the sports market offering a multitude of postures.

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<sup>1</sup> Perch Interactive is not included within the scope of this report

<sup>2</sup> E-Flex refers to a type of material.

## ALMAX

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Born in Milan, Italy, in 1969, Almax offers 50 years of experience in the creation of mannequins and busts for women, men, boys and girls.

Almax is a leader in the design and production of mannequins thanks to its wide experience in different ranges of models, its constant creativity, the most advanced technology, the use of ecological raw materials and the highest quality, among others.

## POP MANNEQUINS

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Pop Mannequins was born in 2008 to offer customers the possibility of expanding into the Asian market with European-designed mannequins.

The production is made in Asia following the highest quality standards. POP's strategy is to offer busts, torsos and accessories with European design through its collections with competitive prices.

## GOLDSMITH

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He has been a designer and manufacturer of quality mannequins since 1927.

Headquartered in New York, the company has been providing mannequins, shapes, accessories and custom parts to North America major retailers for more than 90 years.

## MARCELO VILÁ

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Born in 1900, Marceló Vilá aims to offer a comprehensive service to small clients, mainly in Spain.

## FALCON INDUSTRIES

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Falcon Industries is the group company specializing in the conceptualization, design and manufacture of displays and metal shelving for points of sale.

In its more than 20 years of experience, it has worked to provide quality solutions—tailored to the needs and delivery times required by customers. It mainly works in sectors such as electronics, telecommunications, cosmetics, distribution and catering.

#### HANGER

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## PERCH

Founded by MIT Media Lab graduates in 2012, it is a company that aims to revolutionize the retail industry.

It wants to achieve this from the combination of hardware, software and content to attract consumers and analyse their behaviour at the point of sale.

#### OUR PRESENCE IN THE WORLD

In order to successfully meet the needs of our customers, we need to offer an efficient, flexible and reliable service on a global scale. That's why we have a presence through distribution channels all over the world. **With our headquarters** in Barcelona, we have **production plants** in Spain, Europe, Asia and America; **Showrooms** in Barcelona, Paris, Milan, New York, Colorado and Shanghai; **logistics and distribution centres** in Asia, Europe and the Americas; and offices in Spain, the United States, Milan and China.

#### OUR MAIN PRINCIPALES

The strategy of the group and, consequently, of each of the brands that form part of The Visuality Corporation, is based on the pillars and principles that are defined in our mission, vision and values.

#### OUR MISSION

*Successfully satisfy the needs of our national and international customers, offering sustainable products and high quality, based on permanent innovation and the capture of the latest trends. All this thanks to the human capital that forms part of the Group and generating a positive impact on society.*

## OUR VISION

*Become a Global supplier and highly differentiated from the visual merchandising industry, based on the culture of the client first. Define the Group by excellence in design, materials, processes, service, quality, logistics, global reach and innovation.*

## OUR VALUES

- *Excellence*
- *Quality and Innovation*
- *Flexibility*
- *Commitment to the customer*
- *Social commitment and human capital*
- *Transparency*

## OUR SOCIAL RESPONSIBILITY STRATEGY

Since the beginning of our trajectory, we have developed a firm commitment to advance in the path of Social Responsibility. Proof of this are our constant efforts to develop environmentally sustainable materials and our involvement with the communities in which we operate to contribute to developing a better world.

In 2018 we took a firm step forward with our commitment to develop an ESG Policy and an ESG Strategic Plan.

Our ESG **Policy** sets out the principles and bases of the commitments we voluntarily maintain with all of our stakeholders.

To elaborate it, we have been inspired by the Mission, Vision and Values that define us as a group and we have aligned it with our ethical code. The result has been a policy structured in six key areas:

1. Product management
2. Collaborator management
3. Corporate governance and compliance
4. Environment
5. Supply Chain
6. Social



As a result of the Policy, we have elaborated an **ESG Strategic Plan<sup>3</sup>** that will guide us in the path to follow to carry out all the commitments that we have defined with our groups. The Plan is structured in the same areas as the Policy and contains more than 40 actions grouped into the following groups:

- Commitment to creating a bond of trust with our customers through the development of personalized and innovative products.
- Commitment to the creation of employment, promoting the safety, health and development of our collaborators.
- Commitment to the development of our activities in an ethical and transparent manner, complying with regulations. We are also committed to maximizing our ' return on investment.
- Commitment to reducing our environmental impact throughout the value chain through the incorporation of innovative initiatives.

<sup>3</sup> Environment, Social and Government



- Commitment to our suppliers, so that they share our values and apply them in each phase of their activity.
- Commitment to the generation of shared value with society.

These commitments are aligned with the Agenda 2030 adopted by the UN and with the Sustainable Development Goals (SDG). Although we perform our work daily, aware of the challenges defined in the 17 ODS, our commitments are primarily aligned with the following five objectives:



◆ GOAL 5: GENDER EQUALITY

Our commitment to gender equality is to promote equality and diversity for all people in the organization through **conciliation**, **flexible working hours** and the promotion of **equality** itself. We are also aligned with this objective by our commitment to **Human Rights** and by supporting the inclusion and training of staff at risk of social exclusion.

◆ GOAL 8: DECENT WORK AND ECONOMIC GROWTH

We promote decent work and economic growth through the care of the **Health and Safety** of our staff, the various **training and talent retention** policies we promote, the **channels of communication and transparency** and all the actions we carry out in the area of **compliance**.

◆ GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

From the synergies we create with the local community, we promote the **social and economic development** of the places where we are present.

◆ GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

We approach this indicator from constant **innovation** both in our centres and in the service we offer, which leads us to offer **responsible products** that have been taken care of throughout the entire **supply chain**.

◆ GOAL 13: CLIMATE ACTION

We care about the environment. That is why we are promoting various measures in the field of the **circular economy** and **climate change**.

## GROUP AND MATERIAL ANALYSIS

Knowing our shareholders and the issues most relevant to them is very important for TVC as it allows us to develop a sustainable strategy aligned with their needs and expectations.

Therefore, during 2018 we worked on an **analysis of materiality** that has brought us closer to understanding the issues on which to prioritize our actions in the upcoming years.

We have carefully followed the recommendations of the International Standard Global Reporting Initiative (GRI)<sup>4</sup>, the *Dow Jones Sustainability*<sup>5</sup> indexes, the *Sustainability Accounting Standards Board*<sup>6</sup> and the *Sustainable Development Goals*<sup>7</sup>.

Subsequently, we developed a sector benchmark, held several key meetings with team members, and analysed key organizational documentation.

As a result of this process, we have identified several material issues that we have prioritized based on shareholder's impact and the organization's strategy. All these topics have been validated internally by The Visuality Corporation to ensure that they address all material aspects of the organization.

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<sup>4</sup> Global Reporting Initiative or GRI is a worldwide initiative driven by an independent institution that created the first global standard for sustainability reporting.

<sup>5</sup> The *Dow Jones Sustainability* or DJSI is a set of sustainability indices that integrate companies with high performance in the economic, social and environmental fields.

<sup>6</sup> The *Sustainability Accounting Standards Board* or SASB are standards to help publicly traded companies in the United States report their non-financial performance.

<sup>7</sup> The Sustainable Development Objectives or ODS are 17 objectives and 169 goals that make up Agenda 2030. These Objectives have an impact on the environmental, social and economic spheres. All of them were driven by the United Nations and approved by various world leaders who pledged to fight to achieve these goals.

The result of this process has been the identification of a total of 17 material themes encompassed in six areas. In order to address all these issues, this document has been structured in the following six sections.

## OUR INTEREST GROUPS:



### CLIENTS

*All those chains in the retail sector that buy our products and hire our services.*



### EMPLOYEES

*The human capital that makes the functioning of the organization possible.*



### SHAREHOLDERS / INVESTORS

*Private equity companies that have invested in our assets.*



### FINANCERS

*Those financial entities such as banks or credit institutions.*



### PUBLIC ADMINISTRATION

*Entities and public authorities of different states that are in charge of controlling and managing related issue.*



### SUPPLIERS

*Companies from whom we buy the required raw material as well as distribution companies.*



### LOCAL COMMUNITY

*Citizens living in the areas in which we develop our business.*

## 02. THE MANAGEMENT OF OUR PRODUCT



*We are committed to creating a bond with our customers through the development of customized and innovative products.*

OUR STRATEGIC PLAN:

2	3	1
Short-term actions	Medium-term actions	Long-term action

The sustainable management of our product is directly related to the commitment we make with our clients. Along these lines, our action plan consists of a total of six actions structured in three areas:

INNOVATION

RESPONSIBLE PRODUCTS

SATISFACTION & LOYALTY

### INNOVATION

In an everchanging sector like retail, we work daily in the field of innovation to offer the most advanced techniques that, on the one hand, meet our customers' expectations and on the other, help us to reinvent the sales experience starting from the mannequins.

This is crucial due to the fact that, since the appearance of ecommerce, fashion chains have been forced to change their distribution models and geographic presence. Specifically, these changes have led to physical stores also becoming showrooms where customers can pick up online orders and see and try out the products.

These changes are an opportunity for us because, thanks to constant innovation and the trajectory and experience of all the brands that make up the group, we can offer the best visual elements in stores. These mannequins, busts and shelves generate interest in customers who acquire new products.

In order to take advantage of this growth and differentiation opportunity, our strategy is to continue betting on this line of innovation. For example, in the coming years we want to offer an even faster, more economical service with less environmental impact thanks to the coordination of the Internet of Things (IoT) and Big Data. We also want to make advancements in the use of 3D technology within our production process.

## RESPONSIBLE PRODUCTS: QUALITY, TRACEABILITY & SAFETY

Social Responsibility is the path to follow in order to offer products that are responsible, innovative, creative and that generate added value and contribute to a sustainable future.

This takes us to make continuous investments in our facilities that allow us to produce quality products—unique in the market. To this end, we have implemented in our processes a system that ensures the quality of the products in all the stages of the production cycle. Before our products leave the factory, they are tested following the highest quality standards in accordance with a base document in checklist format that lists all the requirements they must comply with.

Although the nature of our product does not pose a risk to the health and safety of our customers, we continually evaluate risks such as the impact of a product drop<sup>8</sup>.

Finally, in the distribution phase, we take care of the packaging to prevent the product from being damaged in transport and we incorporate instructions and materials for its correct use. In addition, derived from our Strategic Plan, we are working on obtaining a quality management certification.

Simultaneously, we have a Research and Development (R&D) department that is constantly developing technical solutions that guarantee the stability, consistency and safety of all our products. Moreover, they are continuously searching for new materials and solutions that are more environmentally sustainable.

## SATISFACTION & LOYALTY

The search for our client's maximum satisfaction has led us to put at their disposal the following communication mechanisms so that they can send us their concerns and/ or complaints:

- ◆ Complaints Channel
- ◆ Direct contact with our Sales Department
- ◆ Generic e-mails of the different brands
- ◆ Satisfaction surveys

The percentage of incidents and/or claims we have received through these channels is practically non-existent. The main issues for which we have been contacted are incidents related to the transport of the product.

We also have civil liability policies to mitigate any contingency that may occur.

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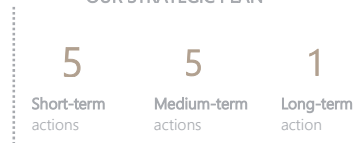
<sup>8</sup> In the entire history of the company, there have been no incidents of this kind.

# 03. OUR COMMITMENT TO OUR COLLABORATORS



*We are committed to job creation, promoting the safety, health and development of our employees.*

## OUR STRATEGIC PLAN



The organization's collaborators are essential human capital, necessary to carry out each of our activities. For this reason, we are committed to training, equality, health and safety and respect towards human rights.

TRAINING AND RETENTION

EQUALITY AND DIVERSITY

HEALTH AND SAFETY

HUMAN RIGHTS

In The Visuality Corporation we closed the year with a staff of 538 people distributed in Europe, the United States and Asia.

The following chart shows the distribution of our workforce by professional category, gender, age and country. As you can see, most of our staff is located between Spain and the United States, with a total of 229 and 216 people respectively.

### Fun Fact...

Our staff is made up of more than 500 people from different countries.

		MANAGEMENT		STRUCTURE		PRODUCTION		OTHER	
EUROPE <sup>9</sup>	Age range	Men	Women	Men	Women	Men	Women	Men	Women
		<30	-	-	1	4	12	2	1
	30-50	5	2	14	21	73	27	11	10
	>50	-	2	4	7	47	15	8	2
	<b>Total</b>	<b>5</b>	<b>4</b>	<b>19</b>	<b>32</b>	<b>132</b>	<b>44</b>	<b>20</b>	<b>10</b>
ASIA	<30	-	-	1	1	2	2	-	-
	30-50	1	-	7	6	8	12	1	-
	>50	-	-	-	2	1	2	-	1
	<b>Total</b>	<b>1</b>	<b>-</b>	<b>8</b>	<b>9</b>	<b>11</b>	<b>16</b>	<b>1</b>	<b>1</b>
UNITED STATES	<30	-	-	7	5	5	0	1	3
	30-50	7	5	22	24	46	4	9	4
	>50	3	2	12	5	41	1	8	2
	<b>Total</b>	<b>10</b>	<b>7</b>	<b>41</b>	<b>34</b>	<b>92</b>	<b>5</b>	<b>18</b>	<b>9</b>

Chart 1: Distribution of staff by professional category, gender, age and country.

		<30	30-50	>50
EUROPE	<b>Men</b>	14	103	59
	<b>Women</b>	7	60	27
	<b>Total</b>	<b>21</b>	<b>163</b>	<b>86</b>
ASIA	<b>Men</b>	3	17	1
	<b>Women</b>	3	18	5
	<b>Total</b>	<b>6</b>	<b>35</b>	<b>6</b>
UNITED STATES	<b>Men</b>	13	84	64
	<b>Women</b>	8	37	10
	<b>Total</b>	<b>21</b>	<b>121</b>	<b>74</b>

Chart 2: Distribution of staff by age, gender and country

<sup>9</sup> In Europe, Spain represents the 85% of the workforce.

## TYPE OF CONTRACT

Regarding the type of contract, it should be noted that 93% of our workforce has a permanent contract.

	MEN	WOMEN	TOTAL	TOTAL
Employees with permanent contracts	332	161	493	93%
Temporary contract employees	27	12	39	7%

Chart 3: Breakdown of workforce by gender and type of contract

	<30	30-50	>50	TOTAL
Employees with permanent contracts	40	297	156	493
Temporary contract employees	8	22	9	39

Chart 4: Breakdown of workforce by age and type of contract

	MANAGEMENT	STRUCTURE	PRODUCTION	OTHER	TOTAL
Employees with permanent contracts	26	137	270	60	493
Temporary contract employees	1	6	30	2	39

Chart 5: Distribution of staff by professional category

All the TVC Group working people in Spain are mainly under two collective agreements: The Chemical Industry Collective Agreement (Olot staff) and the Trade Agreement (staff working in Barcelona). There is also a Company Committee that acts on behalf of the employees. This Committee meets periodically with the Company's management to discuss the different issues that may arise daily, implement new measures or check the status of steps previously implemented.



## RETRIBUTIONS

Regarding the retributions, men receive an average annual remuneration of 36.296€ and women of 40.738€. In the following charts is shown the average remuneration by age and professional category.

	MEN	WOMEN
Average remuneration	36.298€	40.738€

Chart 6: Average Remuneration by Gender

	< 30 YEARS	30-50 YEARS	> 50 YEARS
Average remuneration	30.417 €	39.550 €	40.398 €

Chart 7: Average remuneration by age

	MANAGEMENT	STRUCTURE	PRODUCTION	OTHER
Average remuneration	149.854 €	48.027 €	26.243 €	41.081 €

Chart 8: Average remuneration by professional category

	MANAGEMENT	STRUCTURE	PRODUCTION	OTHER
Men's gross wages	151.715 €	45.864 €	26.910 €	33.746 €
Women's gross wages	145.241 €	47.430 €	26.243 €	38.424 €
Salary Gap	-4%	3%	-3%	12%

Chart 9: Salary gap

## ORGANIZATION OF WORKING TIME AND MEASURES FOR DISCONNECTION FROM WORK

The organization and distribution of working time aims to promote the reconciliation of personal, family and working life. Therefore, in The Visuality Corporation, we take into account the needs of each job, to offer working days that ensure a necessary balance at the level of schedules.

For example, in the case of Noa Brands Europe and, specifically, the Olot factory, the days are mainly intensive and organized in two shifts from 06:00 to 14:00 or from 14:00 to 22:00.

In the case of the production centre in Barcelona, the main schedule is from 09:00 am to 02:00 pm and from 3:00pm to 6:00 pm. In Falcon, USA, an intensive day has also been defined as either 07:00 am to 03:30 pm or 03:30 to 00:00 am.

All in all, both in the establishments described herein as in other countries, the minimum rest periods set forth by the agreement and/or the corresponding law are respected.

	MEN	WOMEN	TOTAL	% TOTAL
Full-time employees	348	152	500	94%
Part-time employees	11	21	32	6%

Chart 10: Distribution of staff gender and type of working day

In relation to **labour disconnection measures**, in the offices we have implemented some such as the obligation to turn off equipment at the end of the day, the prohibition of taking computer equipment out of the facilities without prior consent or the control of timetables to not extend working days. We also offer yoga classes to end the workday and promote wellbeing.

On the other hand, in the factories we implement intensive shift-working days in order to avoid prolonging them since they cannot overlap with shifts.

## TRAINING COURSES AND RETAINING TALENT

We know that the success of our organization is the result of the hard work, passion and professionalism of the *The Visuality Corporation* team. In this sense, we are committed to continuously promoting policies and plans for talent retention and professional development aimed at each and every one of the people who are part of the organization. Here, we highlight the Work Environment Plan and the Training Plan.

With the aim of building a unique **working environment** made up of active, involved and motivated people, we have drawn up a Work Environment Plan that helps us to get acquainted with the level of employee satisfaction.

During 2018 we sent our staff a satisfaction questionnaire on different areas such as leadership, communication or the definition of tasks and influence at work. With the results obtained we have drawn up an Action Plan that responds to the needs of employees.

**Continuous training** is also a key point in our management. For this reason, we annually elaborate a Training Plan<sup>10</sup> adjusted to the reality of the organization that allows our team to acquire new skills, recycle old knowledge and/or adapt traditional techniques to new techniques among others. In short, our mission is to accompany our employees in their growth and professional career.

The Training Plan is drawn up based on the training needs detected by the people responsible for the different departments, as well as on the requests made by employees. Finally, the Plan is reviewed and approved by Management.

Regular refresher courses are also held to ensure that all staff receive the corresponding on-the-job training.

As a result of the Training Plan, a total of € 31,380.60<sup>11</sup> was invested in training in 2018.

Among the courses that have been held this year, we highlight the following:

- Leadership & Teamwork Course
- Language Training for Different Levels
- Training in Occupational Risk Prevention
- Course of Loading & Unloading of Dangerous Materials
- Efficient Warehouse Management and Purchasing Manager
- Fire Extinguishing Course
- Course on Office Automation and ERP Management

In the case of **Falcon**, continuous training courses have been conducted throughout the year to increase skills among staff, boost performance and, at the same time, reduce downtime.

For its part, Noa Brands America, has offered general training and specialized training in the use of software, among others.

**43% of our workforce is located in Spain.**

#### DEVELOPMENT OF EQUALITY & DIVERSITY

Having a staff located in different countries means that people of many nationalities and who speak different languages coexist in our organization. This diversity and multiculturalism are added values in our management.

Another aspect of which we are very proud is that we have a generational diversity that allows us to have people of all age groups.

These facts, together with the gender diversity present nowadays, lead us to have policies that focus on respecting diversity and that manage to create a productive and safe working environment.

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<sup>10</sup> The scope of this Training Plan is 3 brands: Atrezzo, Pop Mannequins and Marcelo Vilá.

<sup>11</sup> This investment in training has been for Noa Brands Europe

In line with this commitment, we have drawn up a protocol for action to prevent psychological or sexual harassment in the workplace. The scope of this is not only for people who are part of the organization but also those people who are related by work or profession. The protocol also defines the process of denunciation and resolution when a complaint is filed. Among the available complaint channels, we have provided staff and related parties- such as clients or suppliers- a physical mailbox and a mailing address.

We also have a Code of Ethics that we share with staff, clients and suppliers through which the organization's groups are committed to ensuring a work environment based on respect. (See section Ethics & Integrity).

Along the same lines, in U.S. societies, the Employee Handbook includes a commitment to equal opportunity regardless of age, race, sex, colour, religion, disability, or any other condition protected by state law. Procedures for workplace harassment are also included.

The employment of groups at risk of social exclusion and/or disability is another one of our priorities. We take action, by signing agreements with entities to hire people with disabilities whenever possible. For example, we have an agreement with La Fageda and also with the public entity Mas de las Matas. In addition, we work to enable and rehabilitate all workspaces to make them accessible to people with disabilities.

## EMPLOYEE HEALTH & SAFETY

At The Visuality Corporation we strive to ensure the maximum safety and health of all our team. For this reason, we have promoted the implementation of various tools to ensure adequate health and safety management, which is included in the application agreements.

For instance, in all the companies we have drawn up an Occupational Risk Prevention Plan: for the Olot and Barcelona centres we have drawn up an Occupational Risk Prevention Plan in accordance with Law 31/1995 on the Prevention of Occupational Risks and its subsequent modifications (Law 54/2003) and with the Regulations of the Prevention Services of Royal Decree 337/2010 which modifies Royal Decree 339/1997. These documents, in addition to gathering the necessary measures that we have to adopt to integrate preventive activity, include the designation of the Prevention Delegate and the constitution of the Health and Safety Committee<sup>12</sup>.

Complementarily, drawing up a **description of job positions** for us is a key tool in the development of the organization because it allows us to analyse the specific risks of each job and the necessary measures in order to mitigate those risks as far as possible. Therefore, for Noa Brands Europe we have made a Job Analysis (TPD) and a description of these (DPT).

In the analysis of workplaces, we have identified the risks that can occur in each of them as well as planning and prioritizing corrective measures to mitigate the risks. In this way, job descriptions include information relating to the necessary training, working conditions, related risks, clothing and supervisory system, among others. Also, in this evaluation we have incorporated the gender perspective by considering the risks that can occur in pregnant women.

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<sup>12</sup> In the Olot Occupational Risk Prevention Plan drawn up in 2018

In workplaces where there is greater exposure to health and safety risks, constant controls are conducted to ensure that these exposures are not significant. For example, we perform machine performance measurements, workplace lighting, noise studies, and medical tests on our employees on a regular basis. All these controls have always had a satisfactory result since the data obtained is within the limits.

Our **Health and Safety Committee** is made up of 3 prevention delegates who meet quarterly. In these, the main topics discussed during the year were: topics related to Prevention of Occupational Risks and occupational safety measures implemented in the organization.

During 2018, there have been a total of 20 accidents throughout the organization: 18 of them in men and 2 in women.

	MEN	WOMEN
Number of occupational accidents with sick leave	18	2
Number of days lost due to work-related accidents with sick leave	207	16
Number of hours worked	650.469	210.840
Frequency index	27,67	9,49
Gravity index	0,32	0,08

Chart 11: Occupational accidents, frequency index and severity index.

## HUMAN RIGHTS

The Visuality Corporation's commitment with the defending of Human Rights has led us to develop different policies and formal reference documents. These have the mission of guiding the conduct of the organization's groups - especially staff - but also suppliers and clients, preventing the violation of human rights in the development of the organization's business.

These are the main documents we have elaborated and approved for **Noa Brands Europe**:

- Code of Ethics
- Criminal Risk Prevention Model
- Internal Safety and Hygiene Regulations
- Specific Occupational Health and Safety Data Sheets
- Emergency Plans
- Psychological or Sexual Harassment Protocol
- Code of Conduct
- Communication Plan
- Training Manual on the Prevention of Criminal Risks

Each of these documents is crucial as they directly or indirectly refer to our responsibility to Human Rights.

For example, in our Code of Ethics, we have reserved a section to discuss about our absolute commitment to the law and internal regulations at all levels and in all the countries in which we operate. Therein, we also

include the prohibition of child labour, for children under 16 years of age and the right to unionization, association and collective business, among others.

We also have an Ethics Committee available so that all staff can resolve doubts regarding each country's legislation and the applicable procedures.

Along these lines, we also highlight our Code of Conduct, which we send to all the supplier companies with whom we work so that they sign it. This Code includes the clause, "respect for human dignity and the inalienable rights of all people regardless of gender, language, race, sexual orientation, nationality, political opinion, social class or disability and respect for privacy".

In order to promote respect for human rights, we have developed the following mechanisms:

- Periodic work environment surveys to identify points or areas for improvement
- Training our staff in many areas such as languages, leadership or professional training.
- Identification and periodic measurement of respect for human rights through our criminal risk prevention model.
- Continuous verification of compliance with internal regulations.
- Continuous measurements in Occupational Risk Prevention.
- We constantly receive audits from our clients.

We also provide various groups with channels of communication where they can report any case of discrimination, harassment or other conduct:

- We have set up **two physical mailboxes for claims and/or complaints**. One of the mailboxes is anonymous and the other is accompanied by a form for the person to complete and identify themselves.
- There is also a **complaints channel** ([denuncias@noabrands.com](mailto:denuncias@noabrands.com)) accessible to all staff who have e-mail and to the various related parties.

Both channels cover denunciations and/or complaints regarding Human Rights and discrimination, as well as any other suggestion that may be made. We haven't received complaints in either of them regarding human rights.

At **Falcon** and **Noa Brands America** we also work to ensure a non-discriminatory practice environment across all staff and at all management levels. In both cases, we have prepared a specific Employee Handbook that includes, among others:

- A commitment by the entire organization to comply with applicable rules and regulations and to refrain from any illegal, dishonest or unethical conduct.
- Non-discrimination based on race, colour, beliefs, religion, sex, nationality, disability, age, genetic information or any other characteristic protected by law.

This has led us to implement procedures so that workers can send us their claims and/or complaints. In addition, every six months we carry out anonymous satisfaction surveys that allow the entire workforce to address issues related to working conditions and/or human rights.

Also, in the case of **Noa Brands America**, these issues are addressed in the annual assessment we conduct with our staff. Moreover, supplier companies are evaluated, and social compliance audits are conducted.

In developing the tools described in this section, we have considered various international standards and principles such as the Universal Declaration of Human Rights, the Guiding Principles of the United Nations and the Fundamental Declarations of the International Labour Organisation (ILO).

Furthermore, in the case of the United States, they ensure compliance with all laws gathered by the Equal Employment Opportunity Commission<sup>13</sup>, such as Title VII of the Civil Rights Act of 1964, the Anti-Aging Discrimination in Employment Act, or the Fair Labour Standards Act. It also complies with OSHA's<sup>14</sup> Occupational Safety and Health jurisdiction.

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<sup>13</sup> EEOC: Equal Employment Opportunity Commission. This Commission is an agency of the United States federal government, headquartered in Washington.

<sup>14</sup> A U.S. federal agency that seeks to establish and enforce workplace safety standards. The acronym stands for *Occupational Safety and Health Act*.

# 04. CORPORATE GOVERNANCE AND COMPLIANCE



*We are committed to carrying out our business in an ethical and transparent manner—complying with the law. Also, to maximize the return on investment of our shareholders.*

OUR STRATEGIC PLAN:

4	1	2
Short-term actions	Medium-term actions	Long-term action

In order to meet our corporate governance commitments, our action plan has been structured in six key areas.

Each and every one of these areas are essential to manage the organization taking into account the principles of Social Responsibility.

- COMMUNICATION & TRANSPARENCY
- ETHICS AND INTEGRITY
- RISK MANAGEMENT
- EGS MANAGEMENT
- COMPETITIVENESS

## COMMUNICATION AND TRANSPARENCY

In The Visuality Corporation we understand communication as a key element at a strategic level for the functioning of the organization. For this reason, we have drawn up an Internal Communication Plan that promotes ascending, descending and transversal communication and, at the same time, enables new channels of communication to reach all our internal groups.

This Internal Communication Plan also aims not only to manage tangible aspects, but also to understand those intangible factors such as time, motivation or the satisfaction of our team.



In relation to external communication, we are working on defining new mechanisms and procedures to reach all our groups. We also want to be able to value all the actions we carry out in the area of Social Responsibility, the publication of this report being the first step towards fulfilling this commitment.

Currently, these are some of the communication channels that we have defined with our main groups:

## CLIENTS

On a continuous basis, we communicate with our clients by means of e-mail or telephone, face-to-face meetings or postal mail— by which we send them our catalogues, lookbooks and newsletters. Also, for complaints and/or suggestions, we put at your disposal the following e-mail: [denuncias@noabrand.com](mailto:denuncias@noabrand.com).

## EMPLOYEES

As stated in our Internal Communication Plan, there is continuous and fluid two-way communication with our employees through various communication channels such as bulletin boards or e-mail. The complaints channel and physical mailboxes are also made available to them.

## SUPPLIERS

We communicate frequently with our suppliers via e-mail, telephone, regular mail or face-to-face meetings. We have also set up other mechanisms for our suppliers, such as the complaints channel.

## LOCAL COMMUNITY

With the local community we have established various synergies from affiliation to associations and collaboration in sector events. For more information on these channels, see section *07 Social*

## SHAREHOLDERS

Periodically we make visits and prepare reports. We also report information and hold periodic meetings to monitor and approve future plans in order to continue to ensure the viability of the Group and, with it, that of its employees, suppliers and all related parties.

On these communications, the confidentiality of the data is fundamental and crucial. For this reason, we conducted an audit of Data Protection at the end of 2018 which we passed with an excellent qualification and without any incidence, which shows that we are adapted to the European Data Protection Regulation.

## ETHICS & INTEGRITY

At The Visuality Corporation we understand ethics in organizations as those values, principles and norms that guarantee that the organization, and all the people who are part of it, contribute to the common good of society. For this reason, we are strongly committed to developing an activity that is governed by the principles of ethics and integrity and that fights against corruption and bribery.

In response to this commitment, in recent years we have developed a series of **formal** tools and **documents** aimed at promoting the fight against various potential crimes, including corruption and money laundering:

- We have a **Code of Ethics**<sup>15</sup> that we share with our groups and that is mandatory for all professionals linked to the organization.

This document, among others, establishes the principles and ethical commitments of the group and guides the actions of all these professionals following the values and principles of professionalism, accuracy, integrity, respect, honesty, security and trust.

It also mentions other principles such as anti-corruption and conflicts of interest, the environment, impartiality and legality.

- We also have a **Code of Conduct** for supplier companies that must be complied with. This document establishes the main criteria in the professional relationship.
- In the case of U.S. companies, the **employee handbook** covers aspects such as the rules of conduct for staff or what to do in the event of a conflict of interest.

In addition, we have developed a **compliance** project that involved the drafting of various manuals and a risk analysis as can be seen in the following section.

## RISK MANAGEMENT

Aware that companies are exposed to risks inherent to the development of their activity, the Group has developed a **Criminal Compliance** model with the aim of identifying all the criminal risks intrinsic to our business activity. This model has been structured on the basis of a risk analysis that has resulted in the preparation of a risk matrix, control matrix and risk map.

Based on this analysis and classification, we worked on a Prevention Manual and an Action Plan to increase the control environment of the risks identified. In addition, a Criminal Risk Prevention Committee has been set up to monitor and comply with the Manual.

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<sup>15</sup> This Code of Ethics has been drawn up for Noa Brands Europe, S.L.

The implementation of the Plan of Action has enabled us to make progress in the definition and implementation of various documents and/or mechanisms relating to criminal compliance. For example, in addition to the Code of Ethics and Code of Conduct, we have implemented the following actions:

- A **Compliance Manual** has been drawn up which establishes the model for the organization, prevention, management and control of criminal risks.
- Activation of the **Complaints Channel** with the email address [denuncias@noabrand.com](mailto:denuncias@noabrand.com) and claims and complaints mailbox. The Committee for the Prevention of Criminal Risks is responsible for processing and investigating complaints received through them.
- The creation of the **Criminal Risk Prevention Committee** which, among others, is responsible for overseeing the operation, effectiveness and compliance with the Compliance Model.
- Work has also been carried out on a **Training Plan** whose purpose is to make our model for the Prevention of Criminal Risks known and to inform all staff that their behaviour must be in accordance with current legislation and the organization's internal regulations. This is given to everyone who joins the organization along with other initial documents.

We have also implemented various mechanisms that allow us to monitor the documents drawn up. For example, we have an annual compliance **self-assessment model** for implementation and monitoring. The self-evaluation model is completed by the people who form part of the Committee for the Prevention of Criminal Risks.

In the coming years we want to continue working on our Criminal Compliance model, which will lead us to carry out an audit of the effectiveness of the controls established and to review our compliance model.

## ESG MANAGEMENT

As we have mentioned in the section "Our Strategy in Social Responsibility" we have prepared a Strategic Plan in ESG. This Plan is allowing us to strengthen the implementation of a responsible management model in the organization that, among others, helps us to lessen both the risks identified in the Compliance Project and those identified in the process of preparing this report:

- Risks identified in the **environmental** area: the main risks we have identified in this area are related to the environmental impact generated by the materials we use in our production process and our facilities and/or machinery.
- Risks identified in the **workplace**: this would refer to all those derived from the workplace and work environment. The risks associated with the ability to attract qualified personnel and the succession of key positions are also important to us here.
- Risks identified in the area of **Human Rights**: in this area there may be risks related to discrimination, harassment and intimacy of the people who work in our organization.

- Risks identified in the area of **combating corruption and bribery**: this is where we find all the criminal risks that we have identified in our Criminal Risk Prevention model. For example, those relating to the business model itself.
- Risks identified in the **social** area: finally, this area would include all those risks that could have a direct impact on the community in which we operate, as well as the risks in our supply chain and in our consumers.

All the policies we have developed to help reduce these risks are presented throughout this document.

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# 05. ENVIRONMENT

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*We are committed to reducing our environmental impact along the value chain by incorporating innovative initiatives.*

#### OUR STRATEGIC PLAN

5	3	3
Short-term actions	Medium-term actions	Long-term action

We structure our environmental management mainly in two blocks: circular economy and climate change. In these two points we collect all the actions we carry out to reduce the environmental impact in our value chain.

CIRCULAR ECONOMY

CLIMATE CHANGE

We are a company committed to respect and care for the environment in our activity. This has led us to work constantly to minimize the impact we produce in this as far as possible. In this sense, we have developed a series of internal mechanisms that lay the foundations for our commitment to the environment. Among them, the central framework is the Environmental Policy, as well as the implementation of environmental criteria in the selection of supplier companies and the continuous evaluation of our environmental impact.

Our **environmental policy** embodies the three principles that guide us in this area:

- The minimization and reduction to the maximum of the environmental impact generated throughout the entire life cycle of the mannequins and accessories (design, manufacture, dispatch, use and reuse).
- The constant search for materials and solutions to make our product have less and less impact on the environment.
- Compliance with current environmental legislation applicable to the activity to prevent pollution.

Since our production activity has the greatest environmental impact throughout our value chain, the Environmental Policy places particular emphasis on the raw materials used, the production process, safety regulations and investments in the most innovative products. This document extends to all our employees and related third parties, as we believe it is essential that this commitment is made to all parts of our value chain from start to finish.

On the other hand, in the contract that supplier companies must complete before starting to work with us, we incorporate the **Code of Conduct** that includes a series of requirements to ensure that proper environmental management is carried out. For example, it calls for an effective environmental policy and a procedure to ensure compliance with regulations in the field of handling, recycling and disposal of hazardous materials and waste. In addition, it includes a series of guidelines for the promotion of reuse and recycling activities.

After developing our Policy in ESG and defining the **ESG Strategic Plan** we are working on the deployment of the actions included in it, which incorporates various environmental objectives. In this sense, with the approval of these documents, the governing bodies of the organization have assumed the commitment to continue working to implement best practices in all areas (emissions, energy efficiency, responsible use of resources, ...).

The main risks we have identified in this area are related to the environmental impact generated by the materials we use in our production process and with our facilities and/or machinery. For this reason, always before starting any operation, we evaluate the environmental impact produced by its execution. These risks have also led us to be constantly searching for new materials and production processes that have a lower environmental impact and that allow us to extend the useful life of the materials.

Fun fact...

Did you know that the use of the Blow Molding technique allows us to reuse plastics in the same production process?

For example, in one of the factories we have incorporated an additional line of Polyurethane and we are starting to buy a 100% vegetable resin that we use together with the low styrene component resin. In another of the subsidiaries we are working with the **Blow Molding** technique that allows us to use plastics that are easily recyclable and reusable such as Polystyrene and ABS and recyclables as Polyurethane.

These R+D+i actions allow us to anticipate the demands of our clients and to be pioneers in a sector that will evolve towards the use of more

sustainable materials.

## MINIMISATION OF ENVIRONMENTAL IMPACT

In the following pages we present in detail the main resources we use in our activity: materials, energy and water.

### Materials

Following the guidelines of using the **least polluting materials possible**, we are constantly searching for new materials and working with new manufacturing processes that allow us to reduce the environmental impact produced by our activity. In line with this commitment, in the production team we have an expert (Facility Manager) who is exclusively in charge of searching for these new materials. In addition, the ultimate goal is to move in the coming years towards recycled material-based production.

In 2018, the main materials used in the production process were: metals; paper and cardboard containers; plastic and derivative containers; paints, varnishes and adhesives; and solvents. The quantity of these, and of the main materials used in offices, are shown in the following chart:

MATERIAL	MATERIAL TYPE	CONSUMPTION (Unit)
Paper & derivatives	Renewable	34,52 t
Plastic containers & derivatives	Non-Renewable	0,41 t
Paints, varnishes & adhesives	Non-Renewable	12,62 t
Other Paints	Non-Renewable	6.965,16 L
Solvents	Non-Renewable	5,732 t
Resins	Non-Renewable	35,2 t

Chart 12: Consumption of materials

A sample of our commitment to reduce our impact by using the least polluting materials possible is the work of a large part of the finishes with water-based paints. This means a significant reduction in solvent consumption. In cases where we need to use solvents for very specific finishes, we reduce solvent contamination from an internal scrubber that allows us to recycle a significant portion of these solvents. We also have a solvent management plan. On the other hand, we encourage the use of recycled materials. In the case of NBE, 100% of the paper and cardboard comes from this source. At Falcon, 17% of metal (such as tubes or bars) and 20% of powdered finishing materials.

It also highlights that we are working to replace, wherever possible, the plastic packaging inside plastic crates to reduce the environmental impact of waste generated by the transport of products.

In addition to these materials, to a lesser extent, we use metal to make the supports of the mannequins and wood to make some elements such as heads or arms. In all cases, we carry out an exhaustive control of the use of the different raw materials in the production process and the corresponding environmental certifications.

In the event that surpluses are generated from the materials we use in our product process, we reuse them or sell them to extend their life cycle.

### Energy & Water

In order to reduce energy and water consumption at The Visuality Corporation, we have carried out several initiatives in the different geographical locations where we are located. Some of the most significant initiatives are listed below:

#### INITIATIVES CARRIED OUT IN THE INDUSTRIAL UNITS AND WAREHOUSES OF OLOT, ITALY AND CHINA

- In order to improve the air-conditioning system, we have replaced the doors of some of the warehouses with retractable doors with presence sensors. This measure prevents the doors from being left open and, consequently, helps us to improve indoor air-conditioning.
- In the showers and changing rooms, we have put taps that reduce water consumption.

#### INITIATIVES CARRIED OUT IN THE REST OF THE INDUSTRIAL UNITS AND WAREHOUSES

- We are modernizing the whole lighting system with a low consumption led lightning. This is a process that began a few years ago and will have its continuity in time until the whole system has been replaced.
- Taking advantage of the process of adapting a warehouse and the investment in the new PU line, we have acquired a boiler that significantly reduces consumption.
- Solar panels have been installed that generate sustainable electricity for self-consumption.
- Closed-circuit water-cooling system available

These initiatives have led us to reduce our consumption of both water and electricity.

In 2018, our total electricity consumption was **3,686,838 kWh**. A large amount of this energy that we use is of supplier companies that guarantee that it is 100% renewable. Regarding the consumption of water, we do not have impact on the use of this since it is not necessary in our production process. During 2018, we have consumed a total of **7,015 m<sup>3</sup>** of sanitary water of which 760 m<sup>3</sup> have been recovered in Falcon.



## CIRCULAR ECONOMY

At The Visuality Corporation we take care of the entire production process of our products. This implies that we are responsible for the design and production of each of the mannequins and accessories we offer to the market. For this reason, it is a priority for us to apply a **sustainable design** in both the product design and manufacturing stages, ensuring a long product life cycle. Some examples are given below:

### SUSTAINABLE DESIGN IN THE DESIGN PHASE

At this stage we design products that can be produced from highly sustainable and recyclable materials.

We also incorporate sustainable criteria that enable end customers to make responsible use of products.

### SUSTAINABLE DESIGN IN THE PRODUCTION PHASE

Our factories are designed based on intelligent efficiency criteria.

We certify our factories environmentally. We extend the useful life of materials and products by reintroducing excess waste into the production process<sup>16</sup>.

In most of our facilities, we have distillers that allow us to clean the material and reuse it again in the process—minimizing consumption, cost and environmental impact.

We recover the powder in the finishing process.

Our concern for the circular economy is leading us to promote projects related to the transition to a **circular production model**. For example, we are working to innovate existing recycling methods and the purchase of materials with a higher percentage of recycled content.

As a result of one of our Strategic Plan actions, one of our brands has launched a mannequin rental service. In this way, we can respond to the needs of some of the customers who need our products for a limited time and, at the same time, we encourage the reuse of them.

This issue has led us to offer a service of collection and recycling of mannequins for those customers who request it and do not have their own policies on the environment and recycling.

Finally, we also carry out other initiatives such as handing over office devices that we no longer use to specialist recycling companies.

### Waste

The main waste we generate as a result of our business is specific, as it requires special collection. That's why we work with waste managers who carry out treatment processes to extend the life of products such as

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<sup>16</sup> This occurs with various production materials used, such as polystyrene, which always act within product permits (as designed) and within the established limits.

cardboard, wood, plastic or batteries. In addition, we annually make the declaration of waste, solvents and packaging.

The following chart shows the main waste generated during 2018 and the treatment received by each of them:

SPECIFIC WASTE	TONES TREATED
Polyurethane	190 t
Mixed municipal waste	160,39 t
Resins	120 t
Silicone	88,90 t
Paints & varnishes	51,4 t
Paper & cardboard	36,35 t
Metals	33,45 t
Retouching dust	14,94 t
Containers with dangerous substances	12,61 t
Solvents	12,47 t
Non-dangerous chemical products <sup>17</sup>	4,81 t
Dangerous chemical products <sup>18</sup>	0,95 t
Absorbing materials	0,42 t
Oil	0,41 t

Chart 13: Total waste

As detailed above, the main waste is polyurethane followed by other general and banal waste. Regarding to solvents, we try to extend their useful life internally by reusing them thanks to our internal purifier that allows us to recycle part of them.

Although we encourage various actions to reduce them to the maximum, throughout the production process surpluses are produced such as paint, pallets, iron or other metals such as steel or aluminium. In the case of paint, we either use the surplus as the first layer or we modify the colours to get others. The rest of the surpluses we try to reuse and, if it is not possible, we sell them to extend the useful life of each of them.

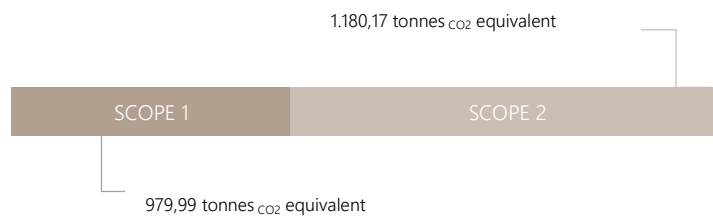
<sup>17</sup> This waste refers to NBA. The rest belongs to NBE

<sup>18</sup> This waste refers to NBA. The rest belongs to NBE

## CLIMATE CHANGE

The continuous implementation of measures to reduce our energy consumption has as its second objective the reduction of Greenhouse Gas (GHG) emissions generated from our business.

In 2018, our Scope 1 emissions were 979,99 tonnes of CO<sub>2</sub> equivalent, considering the consumption of natural gas<sup>19</sup> and diesel. On the other hand, those of Scope 2, in which we consider electricity, have accounted for 1.180.17 tonnes of CO<sub>2</sub> equivalent. In this way, the total of our emissions has been 2.160.16. This estimation represents in terms of intensity 0,02 tons of CO<sub>2</sub> equivalent. The stress factor used has been the total sales during 2018. The commitment of The Visuality Corporation to the purchase of renewable energy allows the company to reduce its air emissions significantly, obtaining a very low-intensity carbon footprint.



Finally, we have not currently estimated our carbon footprint at Scope 3, i.e. from indirect sources.

## POLLUTION

The air emissions from our production process are also associated with those generated in the production booths. Aware of the impact of these emissions, this air, before being expelled, goes through a double process:

- Air purifiers that clean and remove various components.
- Activated carbon filters that filter the air once again.

Emissions are also produced in other production processes. For instance, the dust is vacuumed by industrial machines that clean it and expel it to the outside once it has been completely treated. All these processes go through a system of audits to verify the correct functioning.

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<sup>19</sup> This gas is generated in order to heat the ovens.

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# 06. SUPPLY CHAIN

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*We are committed to our suppliers, so that they share our values and apply them in each phase of their activity.*

OUR STRATEGIC PLAN

2

Short-term actions

2

Medium-term actions

At The Visuality Corporation, we realize that our impact depends not only on our actions, but also on those carried out by partners throughout the entire value chain. That is why it is our responsibility to manage our supply chain responsibly and sustainably, promoting social and environmental awareness among our suppliers.

## ETHICS AND COMPLIANCE IN THE SUPPLY CHAIN

### ETHICS AND COMPLIANCE IN THE SUPPLY CHAIN

In our supply chain, we implement **responsible sourcing** principles, i.e. we only initiate the purchasing process when we detect a need. This “just-in-time” system allows us to offer a very flexible production and reduces logistical costs.

Once the purchase need has been detected, we begin the established purchasing process: in the event that the product requested is not provided by a recurrent supplier company, we will request at least three different offers that we will evaluate according to economic, technical, product properties and environmental impact criteria. With these offers, the purchasing manager takes a decision that will be approved by the production manager. Afterwards, the order will be placed, its reception will be verified, and the payment process will begin. We have proceeded these stages based on a flow diagram.

Did you know...

**80% of the company's suppliers has been working for our companies for more than 10 years?**

Both recurring suppliers and new suppliers must accept our Code of Conduct, adopt and implement it in their daily business. This Code includes specific sections that refer to environmental and social criteria such as the need for an effective environmental policy or the promotion of decent working conditions. We also incorporate confidentiality clauses, as well as expose and inform of contract termination in the case of a breach of the code of conduct. In this way, we have a written commitment from the supplier company that it will meet our criteria and commitments.

In addition to requiring all supplier companies to sign our Code of Conduct, in the case of our most relevant and critical suppliers we conduct audits to verify compliance with the standards we have established.

During 2018 we carried out a total of **5 audits** in which we reviewed compliance with social, environmental and human rights criteria. Particularly, in the social aspect we have verified that employment and conciliation is encouraged and that there is no discrimination under any circumstance. At an environmental level, we have verified that we have all the environmental permits or licenses to carry out business, comply with the legislation and work to minimize the environmental impact of our business, among other aspects. Finally, in the case of human rights, we have been able to verify the non-existence of forced or child labour, permission of right to association, that all our staff has an employment contract and that they are remunerated in accordance with the work carried out and the legislation of the country.

In the case of **Noa Brands America**, the qualification process to which companies are subjected is very rigorous: they are sent an evaluation questionnaire that incorporates criteria related to the environment, safety and health. For example, information is requested regarding certifications and/or international standards such as OSHA or ISO, whether there is a quality policy and what is its production capacity, among other aspects. Moreover, audit visits are also made to the facilities of the supplier companies.

For its part, Falcon, in addition to also requesting three different economic proposals, has established mechanisms to guarantee accuracy in the purchasing process.

#### PURCHASE FROM LOCAL SUPPLIERS

At The Visuality Group, **we support the local growth of the region and economic development** and, thus, we believe on buying from local suppliers whenever possible. In addition, although having established payment terms, we have made exceptions with local suppliers who have requested to do so.

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# 07. SOCIAL

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*We are committed to generating shared value for society.*

OUR STRATEGIC PLAN:

3

Short-term  
actions

2

Medium-term  
actions

We care about the community in which we work and its social needs. Therefore, we offer our support to society through donations, sponsorships, events and activities.

COMMUNITY ENGAGEMENT

## RELATIONSHIP WITH THE LOCAL COMMUNITY

Contributing to the creation of a better society leads us to carry out various actions that support our local community. Despite collaborating with different fields, we pay special attention to supporting local talent and the retail sector through different channels: supporting local events, making donations, joining associations and organizing events.

All these collaborations are carried out following our principles of commitment to society. In this way, although we do not currently have a specific Social Action plan, we support those organizations that contact us to organize events that align with our values.

In the case of Noa Brands America, a Community Philanthropic Program has been developed which has involved the creation of an Employee Committee. This Program defines the activities and topics in which the organization wants to participate and the procedure to carry them out.

For example, as a result of this program, a quarterly cleaning route is organized for the areas close to our offices. All those people from the organization who request it participate in these meetings.

## OUR SUPPORT TOWARDS THE FASHION SECTOR

Noa Brands Europe has collaborated with the fashion sector through the transfer of our products to various associations and/or foundations that organize events that combine fashion and other social issues with which we are aligned. Below is a list of the contributions made in 2018:

- Within the framework of our commitment to promote **sustainable and ethical fashion**, we have collaborated by donating ecological cardboard mannequins and busts to the **Sustainable Fashion Association of Barcelona** (Asociación Moda Sostenible de Barcelona)

- We also want to **bring fashion closer** to the street and the general public. This line has led us to bring to **Madrid is Fashion** mannequins of the series "Special IO". We have also participated as a jury in a showcase competition.
- We have been a collaborating brand of the **Unmasked Parade** that empowers **local talent**.
- We donated mannequins to the **young talent** Dance Contest promoted by **World Dance Fair**.
- We collaborated with the **University School of Design, Innovation and Technology (ESNE)**, in the International Fashion Show in Madrid that gave visibility to the young people of the fourth year of this university. Our collaboration was the donation of mannequins.
- We offered chromatic mannequins to the exhibition organized by the **Telefónica Foundation** on Planet Mars and its impact on **culture and science**.
- Our mannequins were also present in the project "Flying Artists" organized by the **Centre for Inclusion and Opportunities Padre Zurita**, which aims at the **social cohesion** of people with intellectual disabilities.

In the case of the United States, **Noa Brands America** has made economic donations of over €15,000.

- We have been sponsors of the **Gala PAVE** (Planning and Visual Education) held on December 5<sup>th</sup>, 2018.
- For New York's largest professional sporting event, **Dick's Sporting Goods Open / Broome Country Community**, we made a significant donation.
- We collaborate with **the El Paso Child Crisis Centre**, a centre that protects infants from abuse and neglect by providing shelter, advocacy, and family support services. In 2018, we made a donation.
- Finally, we have donated to the non-profit **Old Worthington Partnership** that is focused on improving the city centre.

We have also collaborated with other organizations through the collection of toys and food and the donation of mannequins.

Finally, from Falcon we have made donations to local schools and society.

#### ASSOCIATIONS TO WHICH WE ARE AFFILIATED

Our concern to collaborate with the local fabric business and encourage economic activity in our environment, has led us to join the following associations and pay their fees:

In the case of Spain, these are our affiliations:

- **PIMEC (Pequeña y mediana Empresa de Cataluña)**: This organization represents the business fabric made up of small and medium-sized enterprises and watches over their interest among public administrations and the various social agents.

- **Eje Comercial Nuevo Ensanche:** This association is responsible for revitalizing the Eixample district of Barcelona through trade and culture. To this end, it organizes various activities such as fairs or cultural events.
- **Cor Eixample:** Promotes trade and commercial activity on the right side of Barcelona's Eixample to make the area a better place to work, live and shop.
- **Gerona Chamber of Commerce:** This association promotes economic and business activity in the province of Gerona.

In the case of Noa Brands America, we collaborate with:

- **Retail Design Institute:** This institute promotes advancement and collaborative practice in the creation of sales environments.
- **Lafayette Chamber of Commerce:** Refers to a voluntary organization with an ongoing commitment to the City of Lafayette, serving the interests of the business community.
- **Columbus Chamber of Commerce:** The objective of this chamber is to help this region grow and prosper through pillars such as activity programming and dialogue.
- **NYC Partners for Creative Retail:** Community leadership in store design to create inspiring and engaging products and services.

## OUR COMMITMENT TO LOCAL TALENT THROUGH THE ORGANIZATION OF EVENTS

When we manufacture each of our products, we know that- in addition to having the highest quality standards- you have to produce a visual impact that generates a unique shopping experience. For this reason, coinciding with Christmas, one of the group's companies organized the **first competition for shop windows and commercial interior design** aimed at all commercial establishments located on the left shopping hub of the Eixample in the city of Barcelona. The result was a combination of shop windows and store interiors that combined innovation, creativity, originality, visual impact, colours and lighting to display the products and consequently create a great shopping experience.

Another one of the companies also organized on April 26th in its Showroom, the **8th meeting with professionals associated to the New Ensanche of Barcelona**. During this day, opinions were shared on hot topics in the world of retail such as its evolution and the importance of technology.



## TAX INFORMATION

Regarding to The Visuality Group fiscal information, during 2018 it has paid in Spain the total amount of -73.556,81 €.

On the other hand, this has been the detail of earnings before taxes by countries:

Spain	- 2,647,366
USA	- 2,421,985
China	608,094
Italy	- 2,575,196

## ANNEX I: TABLE OF CONTENTS OF LAW 11/2018 AND GRI STANDARDS

Contents of Law 11/2018 Regarding Non-Financial Information and Diversity		Standard	Reference Chapter	Observations
<b>BUSINESS MODEL</b>				
<b>Description of the group's business model</b>	A brief description of the group's business model, including its business environment, organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future evolution.	GRI 102-2	01. The Visuality Corporation: a sustainable model	
		GRI 102-4	01. The Visuality Corporation: a sustainable model	
		GRI 102-6	01. The Visuality Corporation: a sustainable model	
		GRI 102-7	03. Our commitment to collaborators	
		GRI 102-15	04. Corporate governance and compliance	
<b>INFORMATION ON ENVIRONMENTAL ISSUES</b>				
<b>Policy</b>	Policies applied by the group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted.	GRI 103-2	05. Environment	
		GRI 103-3	05. Environment	
<b>Main risks</b>	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, on the main risks in the short, medium and long term.	GRI 102-11		This aspect does not apply to TVC
		GRI 102-15	04. Corporate governance and compliance	
		GRI 102-30	05. Environment	
		GRI 201-2		The financial implications, risks and opportunities of climate change in the organization have not been analysed.
<b>General</b>	Current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety	GRI 102-15	04. Corporate governance and compliance	
		GRI 102-29	01. The Visuality Corporation: a sustainable model	
		GRI 102-31	01. The Visuality Corporation: a sustainable model	
	Environmental assessment or certification procedures	GRI 102-11		This aspect does not apply to TVC
		GRI 102-29	01. The Visuality Corporation: a sustainable model	
		GRI 102-30	05. Environment	

	Resources dedicated to the prevention of environmental risks	GRI 102-29	01. The Visuality Corporation: a sustainable model	
	Provisions and guarantees for environmental risks	GRI 307-1		As indicated in our Annual Accounts, the activity we carry out does not involve environmental liabilities, expenses, assets, provisions or contingencies.
<b>Contamination</b>	Measures to prevent, reduce or repair carbon emissions that seriously affect the environment, considering any form of air pollution specific to an activity, including noise and light pollution.	GRI 103-2	05. Environment	
		GRI 302-4		The indicator is presented qualitatively since it has not been possible to quantify the energy savings of the initiatives implemented.
		GRI 302-5		This indicator does not apply to TVC since its products do not require an energy consumption for their use.
		GRI 305-5		The indicator is presented qualitatively since it has not been possible to quantify the reduction in GHG emissions achieved through the initiatives implemented.
		GRI 305-7		The CTV activity does not produce other significant atmospheric emissions. TVC performs and reports VOC measurements required by local environmental regulations. TVC strives to ensure that the results obtained are always far below legal limits. In NBA VOC emissions during 2018 have been 6,145kg
<b>Circular economy and waste prevention &amp; management</b>	Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste. Strategies to combat food waste.	GRI 103-2	05. Environment	NBA has removed a total of chemical products of 0,95 tonnes of dangerous waste and 4,81 tonnes of non-dangerous waste
		GRI 301-2	05. Environment	
		GRI 306-1	05. Environment	
<b>Sustainable use of resources</b>	Water consumption and water supply according to local constraints	GRI 303-3		We do not use water in our production process
		GRI 303-5	05. Environment	The Group is working to detailly report the specific treatment for each category of waste.
	Consumption of raw materials and measures taken to improve the efficiency of their use	GRI 103-2	05. Environment	
		GRI 301-1	05. Environment	Falcon is working on being capable to give the required detail of information.
		GRI 301-2	05. Environment	
	Energy: Consumption, direct and indirect; Measures taken to improve energy efficiency, Use of renewable energies	GRI 102-2	05. Environment	
		GRI 302-1	05. Environment	
		GRI 302-2		This aspect does not apply to the CTV business since its products do not require an energy consumption for their use.
		GRI 302-3		The intensity of GEI emissions is 0,0400 kWh / sales.
		GRI 302-4	05. Environment	
GRI 302-5		This indicator does not apply to TVC since its products do not require an energy consumption for their use.		
<b>Climate Change</b>	Greenhouse Gas Emissions	GRI 305-1		The emission factor used have been:

				For gas, DEFRA 2018 (0,18 for United States and 0,28 for Spain) For gasoil it has been used the Catalan office for the climatic change factor (0,27).
		GRI 305-2		The emission factors used have been: For United States, Ecoinvent v3.2 (0477) y for Spain the Catalan office for the climatic change (0,392).
		GRI 305-3		The organization's Strategic Plan includes the calculation of the carbon footprint as an action.
		GRI 305-4		The intensity of GEI emissions is 0,0234 kgeqCO <sub>2</sub> / sales.
	Measures taken to adapt to the consequences of Climate Change	GRI 102-15	04. Corporate governance and compliance	
		GRI 103-2	05. Environment	
		GRI 201-2		The financial implications, risks and opportunities of climate change in the organization have not been analysed.
		GRI 305-5		The indicator is presented qualitatively since it has not been possible to quantify the reduction in GHG emissions achieved through the initiatives implemented.
	Reduction targets voluntarily set in the medium and long term to reduce GHG emissions and means implemented to that end	GRI 103-2		TVC does not currently have specific reduction targets to reduce GHG emissions.
<b>Protection of biodiversity</b>	Measures taken to preserve or restore biodiversity	GRI 103-2		Considering the activity of the Group and the location of its offices and production plants, this aspect is not material to the organization.
		GRI 304-3		Considering the activity of the Group and the location of its offices and production plants, this aspect is not material to the organization.
	Impacts caused by activities or operations in protected areas	GRI 304-1		Considering the activity of the Group and the location of its offices and production plants, this aspect is not material to the organization.
		GRI 304-2		Considering the activity of the Group and the location of its offices and production plants, this aspect is not material to the organization.
		GRI 304-4		Considering the activity of the Group and the location of its offices and production plants, this aspect is not material to the organization.
	<b>INFORMATION ABOUT EMPLOYEES</b>			
<b>Policy</b>	Policies applied by the group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted.	GRI 103-2	03. Our commitment to collaborators	
		GRI 103-3	03. Our commitment to collaborators	
		GRI 102-35		For all the Group, with exception of the management, most of the workers have a 100% fixed retribution.

				For their part, the retribution of the commercial department includes a variable part by objectives.
<b>Main Risks</b>	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	GRI 102-15	04. Corporate governance and compliance	
		GRI 102-30	03. Our commitment to collaborators	
<b>Jobs &amp; Careers</b>	Total number and distribution of employees by sex, age, country and professional classification	GRI 102-7	03. Our commitment to collaborators	
		GRI 102-8	03. Our commitment to collaborators	
		GRI 405-1b)	03. Our commitment to collaborators	
	Total number and distribution of employment contract modalities	GRI 102-8	03. Our commitment to collaborators	
	Average annual number of permanent, temporary and part-time contracts by sex, age and professional classification	GRI 102-8	03. Our commitment to collaborators	
	Number of redundancies by sex, age and occupational classification	GRI 401-1b)	03. Our commitment to collaborators	During 2018, 45 people (28 man and 17 woman) left the Group: - 7 are under the age of 30. - 17 between 30-45 years old - 15 are between 46-55 years old - 6 are over age 55 Regarding to the professional category, 9 of them worked in structure, 34 in production and 2 in others.
	Average salaries and their evolution disaggregated by sex, age and professional classification or equal value	GRI 405-2	03. Our commitment to collaborators	
	Salary Gap	GRI 405-2	03. Our commitment to collaborators	
	Remuneration of equal or average jobs in the company	GRI 202-1		The average ratio of the standard entry level wage by sex to the local minimum wage for Spain and the United States is 1.3.
	The average remuneration of directors and executives, including variable remuneration, per diems, indemnities, payment to long-term savings pension systems and any other payments disaggregated by sex.	GRI 102-35		None of the Directors or Administrators receives any remuneration for performing this function. Those people who also perform functions within the company are included in the total workforce. The remuneration received by the rest of Directors and Senior Management during 2018 amounted to EUR 350 thousand. This figure is not detailed by gender for confidentiality reasons.
GRI 102-36			Management remuneration is made up of fixed remuneration,	

				variable remuneration and other items.
		GRI 201-3		Currently, the following have not been defined.
	Implementation of labour disconnection measures	Qualitative	03. Our commitment to collaborators	
	Employees with disabilities	GRI 405-1. b)		In the whole organization there are 8 disabled people in total.
<b>Organization of work</b>	Organisation of working time	GRI 102-8 (c)	03. Our commitment to collaborators	
		Qualitative	03. Our commitment to collaborators	
	Number of absence hours	GRI 403-9		The number of absence hours for NBE, NBA and Falcon is 40.159.
	Measures aimed at facilitating the enjoyment of conciliation and encouraging the co-responsible exercise of these by both parents.	GRI 103-2	03. Our commitment to collaborators	
<b>Health &amp; Safety</b>	Occupational health and safety conditions	GRI 103-2	03. Our commitment to collaborators	
	Accidents at work (frequency and severity) disaggregated by sex	GRI 403-9	03. Our commitment to collaborators	The organization does not keep track of occupational accidents in Italy, France and China. This is a project that is being implemented in 2019 as a result of the ESG project.
	Occupational diseases (frequency and severity) disaggregated by sex	GRI 403-10		There are no workers with high incidence or risk of occupational diseases in the organization. During 2018, there have been no sick leave related to work-related illnesses.
<b>Social Relations</b>	Organization of social dialogue, including procedures for informing, consulting and negotiating with staff	GRI 102-43	03. Our commitment to collaborators	
		GRI 402-1		Although the agreement establishes minimum notice periods for operational changes, at NBE we previously discussed and agreed on these changes with the employees' representatives.
		GRI 403-4		The organization's Health and Safety Committee meets quarterly.
	Percentage of employees covered by collective bargaining agreements by country	GRI 102-41		100% of employees in Spain, France and Italy are covered by the collective agreement
	Assessment of collective agreements, particularly in the field of health and safety at work	GRI 403-1		100% of the workforce is represented on the organisation's Health and Safety Committee.
		GRI 403-4		The main topics discussed in the Health and Safety Committee are risk prevention or measures to be implemented, among others.
<b>Training</b>	Policies implemented in the field of training	GRI 103-2	03. Our commitment to collaborators	
		GRI 404-2	03. Our commitment to collaborators	
	Total number of hours of training by professional category	GRI 404-1		The total number of hours of training has been 2,459, an average of 7 hour per worker, for NBE and NBA. It has been estimated from manual records prepared by the organization. For next year, the organization will work on incorporating this variable into the system.

<b>Accessibility</b>	Universal accessibility for people with disabilities	GRI 103-2		Whenever works are carried out to improve or rehabilitate spaces, as far as possible, they are designed so that they are accessible to people with disabilities.
<b>Equality</b>	Measures taken to promote equal treatment and opportunities for men and women	GRI 103-2	03. Our commitment to collaborators	
	Equality plans	GRI 103-2		Currently, the organization does not have an equality plan but, as expressed in its Code of Ethics, it is committed to equal opportunity and non-discrimination.
	Measures taken to promote employment	GRI 103-2	03. Our commitment to collaborators	
		GRI 404-2	03. Our commitment to collaborators	
	Protocols against sexual and sex-based harassment	GRI 103-2	03. Our commitment to collaborators	
	The integration and universal accessibility of persons with disabilities	GRI 103-2	03. Our commitment to collaborators	
Anti-discrimination policy and, where appropriate, diversity management	GRI 103-2	03. Our commitment to collaborators		
	GRI 406-1		The NBA received a complaint of sexual harassment that triggered the investigation procedure. As a resolution, appropriate measures were taken. In the rest of the companies, no case of discrimination has been identified.	
<b>INFORMATION ON DEFENDING HUMAN RIGHTS</b>				
<b>Policy</b>	Policies applied by the group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted.	GRI 103-2	03. Our commitment to collaborators	
		GRI 103-3	03. Our commitment to collaborators	
		GRI 410-1		In 2018, there were no human rights training for security personnel.
		GRI 412-2		The organization does not conduct training on human rights policies or procedures.
<b>Main risks</b>	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	GRI 102-15	04. Corporate governance and compliance	
		GRI 102-30	03. Our commitment to collaborators	
<b>Human Rights</b>	Application of human rights due diligence procedures	GRI 103-2	03. Our commitment to collaborators	
		GRI 414-2		No negative social impacts have been identified in the TVC supply chain.

	Prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and redress any abuses committed	GRI 103-2	03. Our commitment to collaborators	
		GRI 412-1		NBE, with the aim of preventing the violation of human rights risks, has evaluated one operation in the European Union and four in China.
		GRI 410-1		In 2018, there were no human rights training for security personnel.
	Complaints about human rights violations	GRI 102-17		In 2018, no communication was received through the various channels of denunciations opened.
		GRI 103-2	03. Our commitment to collaborators	
		GRI 411-1		This pint is not material for The Visuality Corporation.
		GRI 419-1		No fines and/or sanctions have been received for non-compliance with economic and social laws and regulations. In Falcon's case, during 2017 two claims were received from the EEOC that were resolved in 2018 for an amount of \$12,500.
Encouragement of and compliance with the provisions of the fundamental ILO Conventions relating to respect for freedom of association and the right to collective business, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour.	GRI 103-2	03. Our commitment to collaborators		
<b>INFORMATION RELATED TO THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>				
<b>Policy</b>	Policies applied by the group, including the due diligence procedures applied to identify, assess, prevent and lessen significant risks and impacts, and to verify and control, as well as the measures that have been adopted.	GRI 103-2	04. Corporate governance and compliance	The scope of the organization's Criminal Compliance model is for Noa Brands Europe and its branches.
		GRI 103-3	04. Corporate governance and compliance	
		GRI 205-2	04. Corporate governance and compliance	All NBA and NBE staff, with the exception of those working in production, have received anti-corruption training.
<b>Main Risks</b>	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	GRI 102-15	04. Corporate governance and compliance	
		GRI 102-30	04. Corporate governance and compliance	
		GRI 205-1		Based on our Criminal Compliance project, for NBE, we have evaluated all our operations



<b>Corruption &amp; Bribery</b>	Measures taken to prevent corruption and bribery	GRI 103-2	04. Corporate governance and compliance	
	Measures to combat money laundering	GRI 103-2		TVC is not bound by this issue as it has not been identified as a probable risk in our risk analysis.
	Contributions to foundations and non-profit entities	GRI 103-2	07. Social	
		GRI 201-1		All the actions carried out during 2018 by NBE have meant the sale of more than 200,000 <sup>20</sup> euros of products in kind. The total financial contributions made by NBA and Falcon amount to €15,686.55.
		GRI 203-2	01. The Visuality Corporation: a sustainable model	
GRI 415-1		No donations or contributions have been made to political parties or representatives. It is the will of TVC not to position itself politically or ideologically.		
<b>INFORMATION ABOUT THE SOCIETY</b>				
<b>Policy</b>	Policies applied by the group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted.	GRI 103-2	07. Social	
		GRI 103-3	07. Social	
<b>Main Risks</b>	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	GRI 102-15	04. Corporate governance and compliance	Due to the type of product the company sells, there are no significant risks in the use of our products on consumers, clients or users.
		GRI 102-30	07. Social	
<b>The company's commitment to sustainable development</b>	Impact of society's activity on employment and local development	GRI 203-1		As a company, each year we invest around 10% of net turnover in new investments that directly and indirectly have a very significant impact on the environment.
		GRI 203-2	01. The Visuality Corporation: a sustainable model	
		GRI 204-1	07. Social	The average percentage of expense on local suppliers for USA and Spain is 89%.
		GRI 413-1	07. Social	

<sup>20</sup> Estimation based on the selling price of this products.

		GRI 413-2		No operations with significant negative impacts on local communities have been identified
Impact of society's activity on local populations and territory		GRI 203-1		As a company, each year we invest around 10% of net turnover in new investments that directly and indirectly have a very significant impact on the environment.
		GRI 203-2	01. The Visuality Corporation: a sustainable model	
		GRI 413-1	07. Social	
		GRI 413-2		No operations with significant negative impacts on local communities have been identified
Relations maintained with local community actors and the modalities of dialogue with them		GRI 102-43	07. Social	
		GRI 413-1	07. Social	
Actions of association or sponsorship		GRI 102-13	07. Social	
		GRI 203-1		As a company, each year we invest around 10% of net turnover in new investments that directly and indirectly have a very significant impact on the environment.
		GRI 201-1		All the actions carried out during 2018 by NBE have meant the sale of more than 200,000 euros of products in kind. The total financial contributions made by NBA and Falcon amount to €15,686.55.
<b>Subcontracting &amp; Suppliers</b>	Inclusion of social, gender equality and environmental issues in procurement policy	GRI 103-2	06. Supply Chain	
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.	GRI 102-9	06. Supply Chain	
		GRI 103-2	06. Supply Chain	
		GRI 308-1		In its strategic plan, the organization plans to develop a responsible purchasing policy and implement an ESG supplier homologation system.
		GRI 308-2		No negative environmental impacts have been identified in the TVC supply chain.
		GRI 407-1		No transactions or suppliers have been identified whose right to freedom of association and negotiation could be at risk.
		GRI 409-1		No operations or suppliers with significant risks of forced labour have been identified.
		GRI 414-1		In its strategic plan, the organization plans to develop a responsible purchasing policy and implement an ESG supplier homologation system.
		GRI 414-2		No negative social impacts have been identified in the TVC supply chain.
Supervision and audit systems and results thereof	GRI 308-1		In its strategic plan, the organization plans to develop a responsible purchasing policy and implement an ESG supplier homologation system.	

		GRI 308-2		No negative environmental impacts have been identified in the TVC supply chain.
		GRI 414-2		No negative social impacts have been identified in the TVC supply chain.
<b>Consumers</b>	Measures for the health and safety of consumers	GRI 103-2	02. The management of our product	
		GRI 416-1	02. The management of our product	
		GRI 416-2		We have not experienced or resolved any noncompliance issues related to the health and safety of our products and services.
		GRI 417-1		We comply with all legal regulations for the labelling and packaging of our products.
	Complaint systems, complaints received and their resolution	GRI 102-17		During 2018, NBA received a total of 1,038 complaints related to quality issues. In NBE the total number of complaints was 24 and related to transport.
		GRI 103-2	02. The management of our product	
		GRI 418-1		We have not received any complaints regarding customer privacy or loss of data.
<b>Tax Information</b>	Benefits obtained by country	GRI 201-1		
	Income taxes paid	GRI 201-1		
	Public subsidies received	GRI 201-4		During the fiscal year, we received no financial assistance or benefit from the state and/or public authorities.