

A detailed close-up photograph of a mechanical watch movement. The image shows various metal components, including gears, a central rotor with a textured surface, and a prominent green ring. The watch is held together by several screws. The background is dark, making the metallic parts stand out.

c o b a s
asset management

Comments on
First Quarter 2022

Dear Investor:

In the first quarter, the funds continued the positive performance seen in previous quarters, with the **International Portfolio** rising 15.5% and our **Iberian Portfolio** 5.3%, both outperforming their benchmarks¹.

In our Q4 2021 letter we explained in detail our view on inflation ([see here](#)) and how it looked set to remain at least for some time.

Since then, inflation has continued to rise and reached levels of 7.5% in Europe at the end of March and 9.8% in Spain, its highest level since 1985. The main reason is the very large injection of money into the global economy, derived from the ultra-expansive monetary policies of central banks and the fiscal policies of governments; then we have had accelerators, such as the rapid reopening of the post-pandemic economy, and now the invasion of Ukraine by Russia. In the short term this situation has a difficult solution, which is to take the money injected into the system out of the system. This requires a political will

that does not seem very strong at the moment.

One of the conclusions already discussed in our previous letters, and we insist on this one, is to own real assets, which will reasonably maintain the purchasing power of our savings, and more specifically shares in companies that are trading at attractive prices. Moreover, historically, and as a general rule, in inflationary periods, value stocks have performed well. In this sense, it seems that after a difficult decade for value strategies, the fundamental valuation of companies based on the cash they generate is now regaining the interest it deserves as a critical element when it comes to investing.

(1) Past performance does not guarantee future performance.



ENERGY

In previous quarters we also shared our view on the oil and natural gas market (see here, [Commentary second and third quarter 2021](#)), where we explained the existing imbalances due to the lack of investment in the sector over the last 5 years and the natural decline of the oil fields that are already active.

Previous imbalances in the energy market have been exacerbated by the invasion of Ukraine and the related sanc-

tions on Russia, as the latter accounts for a significant share of global oil (around 12%) and gas (around 17%) supply. As a consequence, and especially with Europe seeking to reduce its exposure to Russia, which accounts for more than 40% and 25% of its oil and gas consumption respectively, substantial additional investments in energy infrastructure will be necessary.

ENERGY TRILEMMA

In the current situation it is worth reflecting on some of

Illustration: Daniel Gete for the blog “La mayor inyección monetaria de nuestra historia” by Verónica Llera of Cobas AM.



the fundamentals of the energy sector, a critical sector for economic development, and on what some call the Energy Trilemma: energy transition towards “more sustainable” sources, energy cost, and security of supply.

Today we live in a scenario where it is necessary to have energy sources that offer us a guarantee of stable supply in the face of different scenarios of diverse origin and typology (whether climatic, geopolitical, etc.). All of this in search of accessibility, abundance, reasonable cost and reduced polluting emissions. While in recent years the most important factor in investment decisions (mainly in Europe) have been the energy transition; we believe that this must now be combined with the guarantee of supply.

In this scenario some of the energy sources that a few months ago seemed according to some market narratives to be out of the equation (oil, gas, nuclear), facing immediate extinction, are regaining their importance, as necessary transitional energies, which in the current situation require more investment.

Photo: Mimadeo, Shutterstock.

We believe that the evolution of the different energy sources within the energy matrix must be orderly, gradual, and balanced in order to resolve the current energy dilemma we face, and must incorporate the criteria of sustainability, but also those of guarantee of supply and cost.

To the extent that we exclude some energy sources, there will be fewer resources to invest in them, capital costs will tend to rise, requiring higher returns, which in turn will require higher prices for these raw materials. Therefore, we must be aware and balance and match the long-term energy transition objectives with the needs we have for security of supply and cost in the short and medium term.

EXPOSURE OF THE INTERNATIONAL PORTFOLIO TO THE ENERGY SECTOR (45% OF THE INTERNATIONAL PORTFOLIO):

For all these reasons, in recent quarters we have maintained a significant exposure of our portfolio to the energy sector, having found good companies trading at significant discounts across the value chain:



Photo: Shutterstock.



LNG infrastructures (about 13% weight at the end of March through various companies)

In addition to the already foreseen need ([see 3Q21 letter](#)) for additional regasification, liquefaction, and transport infrastructures (typically exposed to long-term fixed contracts) to obtain more gas, there is now the need for additional capacity to reduce dependence on Russian gas.

Oil and gas producers (11%)

Mostly exposed to raw material prices in the market. Higher commodity prices and cost reductions in recent years mean that these companies are generating more cash than ever, which combined with a more balanced capital allocation policy compared to previous cycles (debt reduction, dividend payments and share buybacks) allows for a quick and direct return to shareholders.

Service providers: oil, gas, new sustainable technologies (11%)

Typically exposed to third party contracts based on the investment cycles of the energy sector, where an increase in investment seems inexorable to correct the imbalances discussed above.

Oil and gas transport infrastructure (11%)

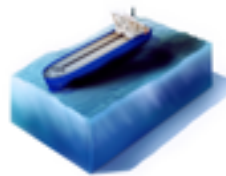
Includes gas pipelines (with long-term fixed contracts) and crude oil transport with oil tankers, exposed to the price of daily freight rates, which vary according to the demand/supply of ships, and respond to the evolution of

crude oil demand. These companies should benefit from higher freight rates as demand continues to grow, coupled with an ageing fleet that will tend to be recycled and a reduced supply of new ships in the coming years.

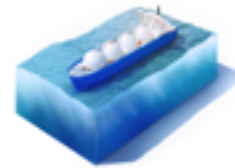
THE GAS VALUE CHAIN



Exploration and drilling



Production and liquefaction



Transportation

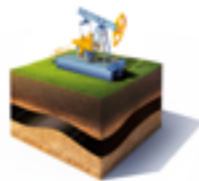


Regasification



Power generation

THE OIL VALUE CHAIN



Exploration and production



Refining

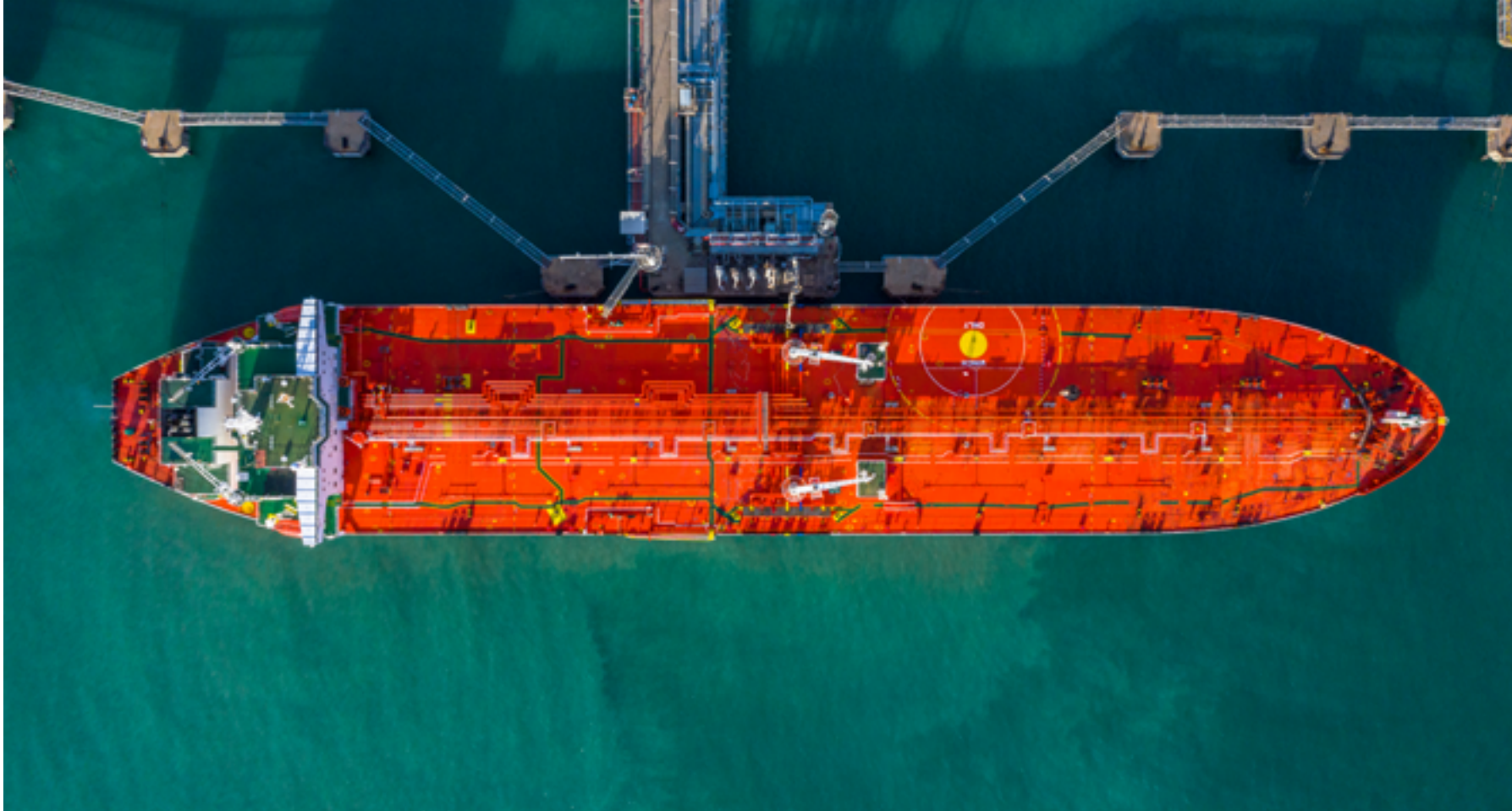


Commercialisation



Services

Photo: Avigator Fortuner, Shutterstock.



Finally, what is most interesting about our exposure to the energy sector is that most of it (28% of the international portfolio) is not dependent on the price of oil, gas, or derivatives, but on the imperative need to invest to ensure future security of supply.

Photo: Shutterstock.

LNG infrastructures (11%) Golar LNG, Exmar, Gaslog y Dynagas.



Oil and gas producers (13%) BW Energy, Cairn Energy, Energean, Enquest, IPCO, Kosmos y Panoro Energy.



Service providers: oil, gas, new sustainable technologie (11%) M. Technimont, BW Offshore, CGG, Petrofac, Subsea7 y TGS.



Oil and gas transport infrastructure (11%) International Seaways, Energy Transfer y Teekay Corp.



FOCUSED ON WHERE WE ADD MOST VALUE

In the face of a complex geopolitical environment and a very uncertain economic situation, **Cobas Asset Management** investment team remains focused on where we can add the most value, which is in the search for highly undervalued companies with strong balance sheets that are prepared to withstand different scenarios.

PERFORMANCE OF COBAS AM FUNDS

We make available to you the **Commentary of the 1st Quarter 2022** in different formats



[Watch video](#)



[Listen audio](#)

PORTFOLIO

Our portfolios

Data as of 31/03/2022

Spanish domiciled funds

Name	AUM
Internacional FI	541.4 Mn€
Iberia FI	38.5 Mn€
Grandes Compañías FI	24 Mn€
Selección FI	772.8 Mn€

Luxembourg domiciled funds

Name	AUM
International Fund	29.1 Mn€
Large Cap Fund	12.1 Mn€
Selection Fund	88.2 Mn€

AUM	Market Cap	Strategies		Number of holdings
		International	Iberian	
570.5 Mn€	Multi Cap	●		48
38.5 Mn€	Multi Cap		●	33
36.1 Mn€	70% ≥ 4Bn€	●	●	41
861 Mn€	Multi Cap	●	●	59

At **Cobas AM** we manage three portfolios: the **International Portfolio**, which invests in companies worldwide excluding those listed in Spain and Portugal; the **Iberian Portfolio**, which invests in companies listed in Spain and Portugal or have their core operations in the Iberian territory; and finally, the **Large Cap. Portfolio**, which invests in companies globally and in which at least 70% are companies with a market capitalisation of more than 4 billion euros.

With these three portfolios we constructed the various equity funds we manage as of 31 March 2022. Please note that the target value of our funds is based on internal estimates and **Cobas AM** does not guarantee that these estimates are correct or will be achieved. Investments are made in securities that the managers believe to be undervalued. However, there is no guarantee that these securities are undervalued or, if so, that their prices will perform as the managers expect.

**Total assets
under management**

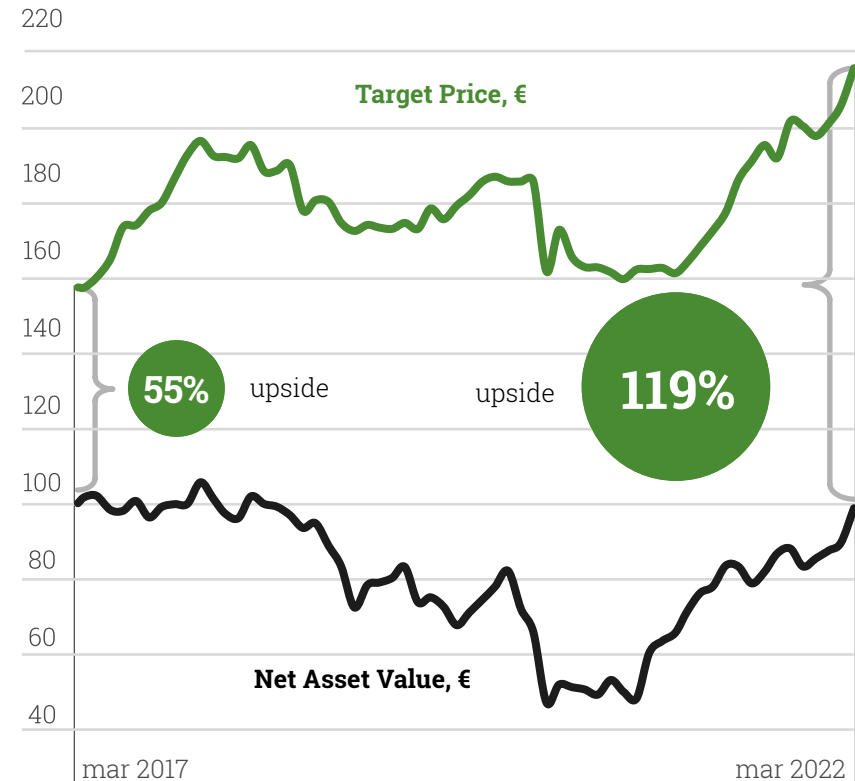
**1,824
Mn€**

International Portfolio

During the first quarter of 2022 our **International Portfolio** returned¹ +15.5% versus a return of -5.5% for its benchmark, the **MSCI Europe Total Return Net**. Since the **Cobas International FI** fund began investing in equities in mid-March 2017, it has returned -1.1%, while its benchmark returned 36.5% over the same period.

During the first quarter we made few changes to the **International Portfolio** in terms of purchases and sales. We only exited **Inpex** and **Dassault Aviation** entirely, due to their good performance. On 31 December these companies had a combined weighting of just under 2%. On the entry side, we bought:

- **Fresenius**: a leading healthcare company that mainly operates hospitals and dialysis centers among other businesses.
- **Organon**: pharmaceutical company formed from the spin-off of Merck & Co a year ago, focused on women's healthcare, and with a presence in biosimilars and



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 19.

(1) International Portfolio: Performance obtained by Cobas Internacional FI - Class C, ISIN: ES0119199000

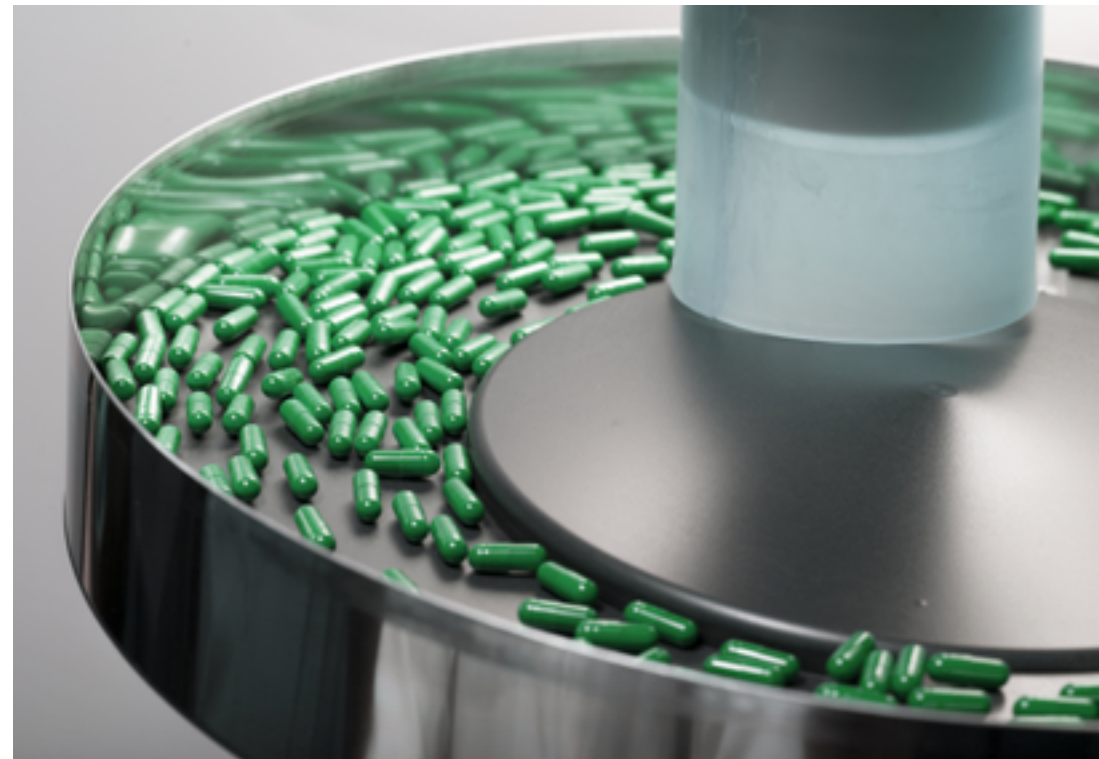
other well-established pharmaceuticals.

These companies trade at 6-7x normalised cash flow and at the end of March had a combined weight of close to 2%. In the rest of the portfolio on the sell side, the most important movements have been in **Golar LNG** and **Kosmos Energy**, but thanks to their revaluations of around 100% in the quarter, the weight of these companies at the end of March remained more or less the same as in December. On the buy side, we have increased our exposure to **Curry's** (ex-**Dixons**) and **BW Offshore**.

During the first quarter, thanks to market volatility and our rotation, the target value of the **International Portfolio** increased by 9% to €216/share, the highest since our inception, implying a potential upside of 119%.

As a result of this potential and confidence in the portfolio, we are invested at around 98%, close to the legal maximum allowed. The portfolio trades at an estimated 2022 P/E of 6.3x versus 13.7x its benchmark and has a ROCE of 29%, but if we look at the ROCE excluding shipping and commodity

companies, we are close to 40%, which shows the quality of the portfolio. In short, it is a portfolio of very good businesses trading at very low multiples.



(1) For more information on the ratios see page 19.

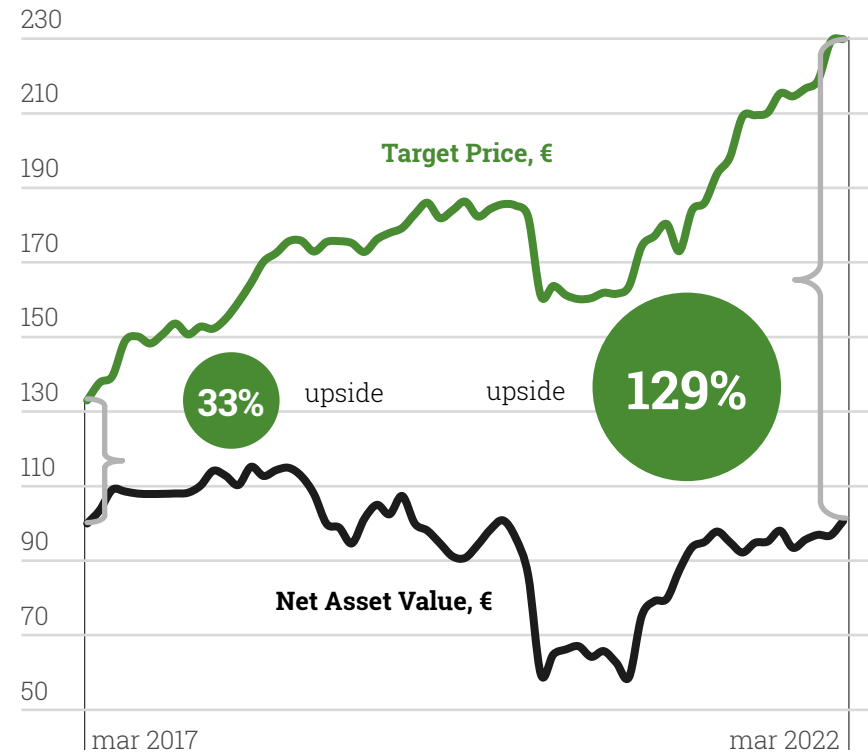
Photo: Planar, Shutterstock.

Iberian Portfolio

The **Iberian Portfolio**'s net asset value performance during the first quarter of 2022 was +5.3%, compared to +0.2% for its benchmark. If we extend the comparison period from when we started investing in equities to the end of March 2022, it returned¹ +0.7%, while its benchmark returned +14.2% for the same period.

During the first quarter we made some changes in terms of portfolio entries and exits. We have completely exited **Metrovacesa, Ence, Sonae** and **Prisa**, which at the end of December had a combined weight of slightly more than 7%, and we have entered **Iberpapel, Applus, Acerinox, Gestamp** and **CIE**. All of them are "old acquaintances" of Cobas and at the end of March had a combined weight of slightly more than 5%. In the rest of the portfolio the most important movements were on the buy side **CAF** and **Mediaset España**, while on the sell side **Galp Energía** and **Repsol**.

It should also be noted that during the quarter we received two **takeover bids** for portfolio companies:



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 19.

(1) Iberian Portfolio: Performance obtained by the Cobas Iberia FI - Class C, ISIN: ES0119184002

•**Mediaset España (TL5)**: On 15 March **Media for Europe (MFE, formerly Mediaset N.V.)** launched a takeover bid for the 44.3% it does not own of TL5, offering as consideration €1.86/share in cash plus 4.5 **MFE** ordinary A shares. We consider that this offer does not adequately value **TL5's** assets.

•**Metrovacesa (MVC)**: On 23 March **FCC** launched a partial takeover bid for 24% of **MVC's** shares at a price of €7.8/share in cash. While it is true that we believe that this price does not reflect the value of **MVC's** assets, we have decided to liquidate our position as the potential for revaluation is now lower and there are more interesting investment alternatives.

During the quarter, thanks to the rotation, we increased the target value of the **Iberian Portfolio** by nearly 6% to **€230/share**, a record high, bringing the **potential** revaluation to **129%**.

We are nearly 99% invested in the **Iberian Portfolio**, and the portfolio trades at an estimated 2022 P/E of 6.8x versus 13.4x its benchmark and has a ROCE of 29%.

(1) For more information on the ratios see page 19.



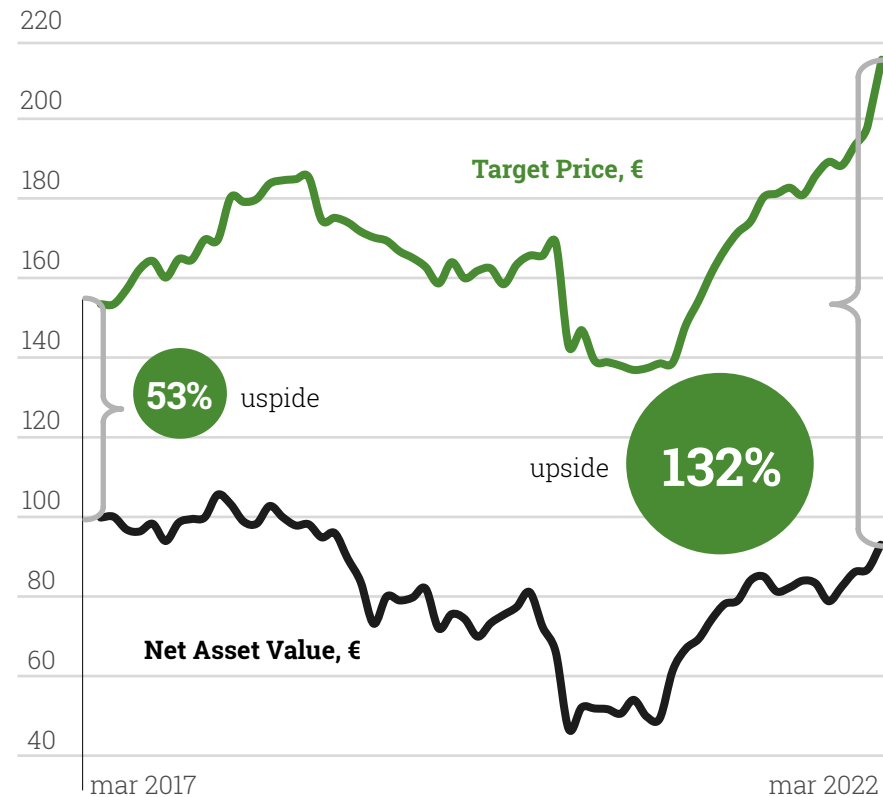
Photo: Planar, Shutterstock.

Large Cap Portfolio

During the first quarter of 2022 our **Large Cap Portfolio** returned +12.9% versus -3.0% for the benchmark **MSCI World Net**. Since the **Cobas Grandes Compañías FI** began investing in equities in early April 2017, it has returned¹ -6.9%. In that period the benchmark index appreciated by 71.4%.

During the first quarter we made very few changes in terms of portfolio entries and exits. We exited **Atalaya Mining**, which at the end of December had a weighting of close to 1%, and entered **Elecnor** and **Técnicas Reunidas**, which at the end of March had a combined weighting of close to 3%. In the rest of the portfolio the most important movements have been on the buy side **Affiliated Managers Group** and **Fresenius**; on the sell side **Golar LNG** and **Dassault Aviation** due to their performance.

During the quarter, the **target value** of the **Large Company Portfolio** increased by 15% to **€216/share**, also an all-time high, representing a **potential upside of 132%**.



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 19.

(1) Large Cap Portfolio: Performance obtained by the Cobas Grandes Compañías FI - Class C fund, ISIN: ES0113728002

We are almost 97% invested in the **Large Cap. Portfolio**. Overall, the portfolio trades at an estimated 2022 P/E of 7.4x versus 17.7x its benchmark and has a ROCE of 32%.



(1) For more information on the ratios see page 19.

Photo: Corlaffra, Shutterstock.

Spanish Funds

Fund	NAV	Upside Potential	Q1 Performance		Performance YTD		Perf. since inception		PER	ROCE	Var	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark					
Selección FI Clase B	111.39 €	124%	11.4%	-2.3%	11.4%	-2.3%	11.4%	-2.3%	6.3x	30%	12%	415.9	03/02/2022
Selección FI Clase C	100.94 €	124%	13.9%	-5.5%	13.9%	-5.5%	0.9%	51.8%	6.3x	30%	12%	343.2	14/10/2016
Selección FI Clase D	148.97 €	124%	13.8%	-5.5%	13.8%	-5.5%	49.0%	18.3%	6.3x	30%	12%	13.7	01/01/2021
Internacional FI Clase B	112.88 €	119%	12.9%	-2.3%	12.9%	-2.3%	12.9%	-2.3%	6.3x	29%	12%	240.6	03/02/2022
Internacional FI Clase C	98.85 €	119%	15.5%	-5.5%	15.5%	-5.5%	-1.1%	36.5%	6.3x	29%	12%	280.8	03/10/2017
Internacional FI Clase D	153.91 €	119%	15.5%	-5.5%	15.5%	-5.5%	53.9%	18.3%	6.3x	29%	12%	20.1	01/01/2021
Iberia FI Clase B	102.80 €	129%	2.8%	-0.5%	2.8%	-0.5%	2.8%	-0.5%	6.8x	29%	8%	16.8	03/02/2022
Iberia FI Clase C	100.68 €	129%	5.3%	0.2%	5.3%	0.2%	0.7%	14.2%	6.8x	29%	8%	20.8	03/10/2017
Iberia FI Clase D	119.96 €	129%	5.2%	0.2%	5.2%	0.2%	20.0%	7.4%	6.8x	29%	8%	1.0	18/07/2017
Grandes Compañías FI Clase B	107.72 €	132%	7.7%	3.0%	7.7%	3.0%	7.7%	3.0%	7.4x	32%	10%	10.5	03/02/2022
Grandes Compañías FI Clase C	93.14 €	132%	12.9%	-3.0%	12.9%	-3.0%	-6.9%	71.4%	7.4x	32%	10%	12.8	18/07/2017
Grandes Compañías FI Clase D	129.85 €	132%	12.9%	-3.0%	12.9%	-3.0%	29.9%	27.1%	7.4x	32%	10%	0.6	01/01/2021
Cobas Renta FI	101.87 €		3.1%	-0.1%	3.1%	-0.1%	1.9%	-2.6%			2%	18.4	18/07/2017

Pension Funds

Denominación	NAV	Upside Potential	Q1 Performance		Performance YTD		Perf. since inception		PER	ROCE	Var	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark					
Global PP	93.86 €	123%	13.9%	-5.5%	13.9%	-5.5%	-6.1%	32.1%	6.3x	30%	12%	76.9	18/07/2017
Mixto Global PP	96.72 €	89%	10.4%	-2.6%	10.4%	-2.6%	-3.3%	15.5%	6.3x	21%	8%	6.3	18/07/2017
Cobas Empleo 100	109.87 €	113%	10.9%		10.9%		9.9%		6.6x	28%	10%	0.5	23/06/2021

Data as of 31/03/22

The **target value** of our funds is based on internal calculations and estimates. Cobas AM does not guarantee that these calculations are correct or that they will be achieved. Investments are made in securities that the managers believe to be undervalued. There is no guarantee that such securities are actually undervalued or, if so, that their prices will perform as the managers expect. Past performance is no guarantee of future performance. **Benchmarks.** MSCI Europe Total Return Net for Cobas Selección FI, Cobas Internacional FI and Cobas Global PP. MSCI World Net EUR for Cobas Grandes Compañías FI. IGBM Total 80% and PSI 20 Total Return 20% for Cobas Iberia FI. until 31/12/2021 EONIA and from 01/01/2022 €str for Cobas Renta FI. MSCI Europe Total Return Net 50% and until 31/12/2021 EONIA and as from 01/01/2022 €str for Cobas Mixto Global PP. **Ratios. POTENTIAL:** best case scenario, the difference between the target value and the aggregate market price of the portfolio. For to calculate the target value, we apply a multiple to the normalised cash flow based on our own estimates for each company. **Var:** maximum monthly expected loss, calculated using the Value at Risk 2.32 sigma methodology, 99% confidence level of the one-month normal distribution (data as at 31/03/2022). **PER:** calculated by dividing the market capitalisation of each company by its normalised cash flow based on own estimates. **ROCE:** calculated by dividing the normalised operating profit based on own estimates, after tax, by the capital employed (ex-goodwill) to see the profitability of the business.

Luxembourg Funds

Fund	NAV	Target Value	Upside Potencial	Q1 Performance		Performance YTD		Perf. since inception			PER	ROCE	Var	AUM Mn€	Inception Date
				Fund	Benchmark	Fund	Benchmark	Fund	Benchmark						
International EUR	91.76 €	176 €	119%	15.4%	-5.5%	15.4%	-5.5%	-8.2%	29.3%	6.3x	29%	12%	28.3 €	01/06/2017	
International USD	\$114.45	\$219	119%	15.7%	-5.5%	15.7%	-5.5%	1.4%	30.0%	6.3x	29%	12%	\$0.9	06/06/2017	
Selection EUR	19,167.14 €	39,361 €	124%	13.9%	-5.5%	13.9%	-5.5%	-6.6%	35.8%	6.3x	30%	12%	69.2 €	18/04/2017	
Selection USD	\$34,264.70	\$70,188	124%	14.2%	-5.5%	14.2%	-5.5%	3.8%	35.8%	6.3x	30%	12%	\$21.1	18/04/2017	
Large Cap EUR	122.95 €	247 €	132%	13.0%	-3.0%	13.0%	-3.0%	21.8%	44.4%	7.4x	32%	10%	12.1 €	14/10/2019	

Data as of 31/03/22

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NEWS

In our Cobas AM news section, the aim is to give a preview of the fund manager's projects and initiatives, as well as the most important milestones in the last quarter.

Incorporation of the new class B in investment funds and reduction of management fees at Cobas Pensiones

Reaffirming our commitment to our shareholders, we are adding the new Class B to the equity mutual funds with a management fee reduced to 1.25% and lowering management fees for all investors in Cobas Pensiones' individual pension plans. Read the press release at the following [link](#).

Change of venue

Cobas AM has moved its headquarters to [Paseo de la Castellana, 53](#), 2nd Floor, 28046 Madrid. We invite you to visit our new space by appointment.

Expenditure report 2021

The expenditure report for the financial year 2021 is now available. You can view the information in your private area.



Photo: Cobas AM.

Participation in Myinvestor Webinar

Interview with **Juan Huerta de Soto**, member of the Cobas AM Investment team in the programme “Behavioural finance, how to prevent emotions from playing tricks on you” on Myinvestor. Listen to the interview [here](#).

Participation in TV Business

Juan Huerta de Soto, from the **Cobas AM** Investment team, collaborated in the programme El Foco, where they commented on the positioning to beat inflation. You can watch the programme at the following [link](#).

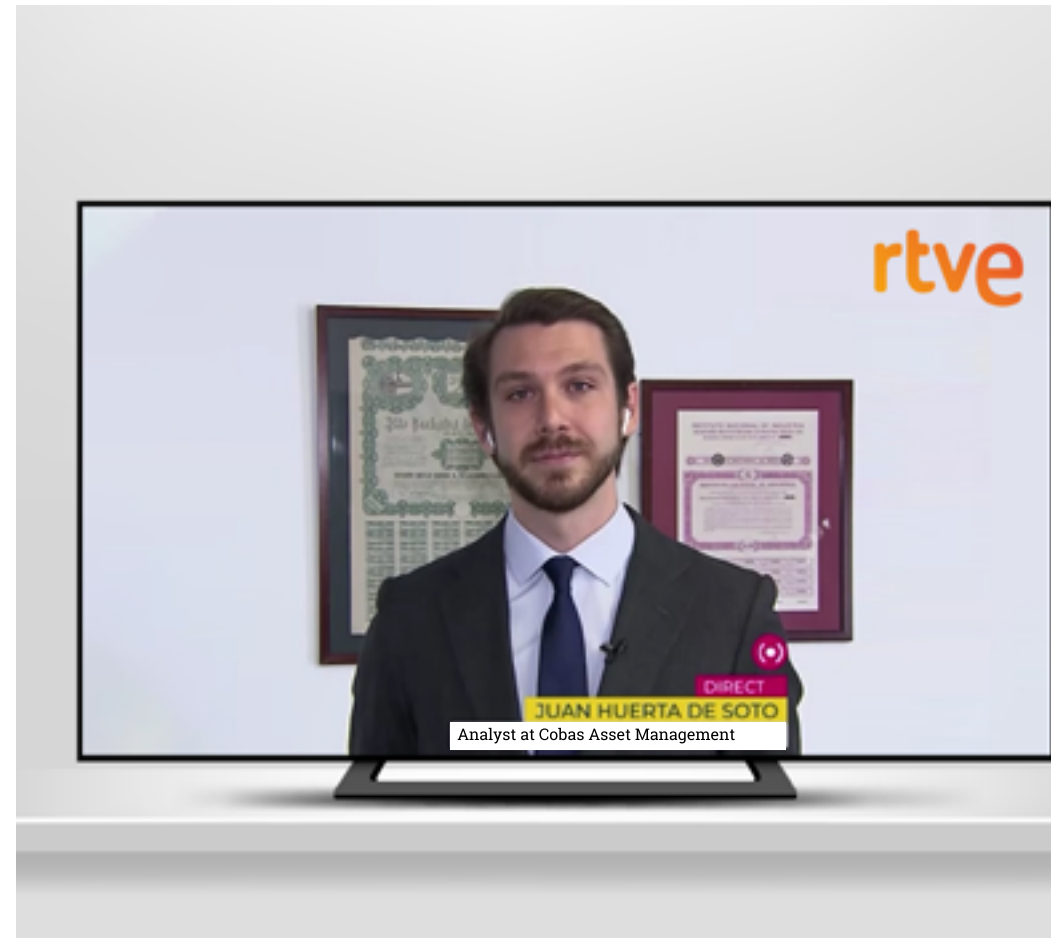
Participation in La Hora de TVE

Juan Huerta de Soto, member of the **Cobas AM** Investment Team, explained on RTVE’s La Hora programme the main causes of this increase in petrol prices. To see the intervention click on the following [link](#).

Participation in Decision Radio

On 14 January, **Carlos González Ramos**, Head of Retail Investor Relations at **Cobas AM**, was interviewed on the programme Área Financiera in which he reviewed the European energy

Photo: La hora de la 1 RTVE.



crisis. You can watch his intervention in the following [link](#).

On 29 March, **Jose Belascoáin**, from the investor relations team, took part in the programme Área Financiera to comment on the importance of employment plans. You can watch his intervention in the following [link](#).

Participation in the programme Tu Dinero Nunca Duerme

During the quarter, **Iván Chvedine** from the **Cobas AM** Investment team, **José Belascoáin** and **Rocío Recio** from the Investor Relations team participated in several programmes of Tu Dinero Nunca Duerme, the first financial literacy programme on Spanish general radio esRadio in collaboration with Value School.

Ivan Chvedine, from the **Cobas AM** investment team, discussed the fundamentals of the value investment style and the current market outlook in the 13 February edition of the programme. The audio of the podcast is [here](#).

Jose Belascoáin, spoke about the importance of saving and the keys to investing and building wealth on 4 April.

The audio of the podcast is available at the following [link](#).

Rocío Recio, explained the company selection process at **Cobas AM**, in the edition of the programme that took place on 17 April. The audio of the podcast is available [here](#).



Photo: Iván Chvedine, Cobas AM.

Podcast Investing for the Long Term

The **Cobas AM** podcast was created with the aim of bringing the philosophy of value investing to all its listeners.

Visit our profile to listen to new episodes at the following [link](#).

Participation in the Aspin 11 Family Office podcast

Francisco Burgos, head of the Institutional business, took part in the Aspin 11 Family Office podcast where he spoke about the advantages of value investing. To listen to his participation click [here](#).

Do you know our blog?

Read the latest blog post by **Francisco Garcia Paramés** on the state of value by clicking on the following link. Discover more posts in [our blog](#).

Do you know our Social Networks?

We invite you to watch our latest videos on various current topics such as inflation (how our country is facing it), the energy crisis... you may also find interesting our posts and research published on our social networks.

Do you know our Social Networks?

Instagram



Facebook



Libsyn



LinkedIn



YouTube



Twitter



Other initiatives of



**SANTA
COMBA**



Cobas AM collaborates with Value School to promote financial literacy from an independent perspective and help savers make informed investment decisions. After all, being a value investor is more than buying cheap and being patient. It is a philosophy of life.

Value School on Amazon Prime!

The documentary [Ni es justicia ni es social](#) has made the leap from YouTube to Amazon Prime Video. It has also been presented in Malaga and Barcelona and soon in Palma de Mallorca.

Berkshire Hathway Shareholder Letter (2021)

As every year, Value School has published the Spanish edition of the Berkshire Hathway Shareholder [Letter for the year 2021](#). Help us to improve the financial literacy of the Spanish-speaking community by sharing it with others!

Photo: Value School.



Value School publishes **Red Pill Before You're 20**, by Dani Sanz

Pastilla roja is a powerful manual on economics, personal finance, investment and entrepreneurship designed for young people between the ages of 16 and 20. In each of its chapters they will discover the principles with which to build a future of personal and financial independence. There is no better investment. Now available for Amazon Kindle.

New course: **Options and value investing, a winning combination.**

From 25 April to 6 June, manager Carlos Santiso will give 7 online sessions of the new Value School course for individual investors interested in improving the profitability of their portfolios with prudent and profitable strategies based on financial options. 269 students from all over the world have registered for the course.



GSI, has completed the first closing of **GSIF Spain**, its second fund, which has a target return of 10% ~ 12% per

annum as well as contributing directly to the inclusion of vulnerable people in Spain. Immediately afterwards, it made its first investment in Revoolt Smart Solutions, a last-mile logistics operator created in 2016 with a clear focus on social and environmental sustainability through.

- The provision of a permanent employment contract for all its employees (70), with economic conditions well above the industry average, avoiding the practice of “false self-employment”.
- Distribution through a multimodal fleet of 100% zero emission vehicles.
- The digitisation of small neighbourhood shops, supporting these local shops in their competition with large multinationals.

GSI's first fund, **GSIF International**, focused on the economic and social inclusion of the most vulnerable groups in Sub-Saharan Africa, made three investments. It closed 2021 with a return of 9.8% for the year.



Photo: Baluwo.



During the first quarter of 2022, the Open Value Foundation has continued to develop a number of initiatives and activities, including the following:

From the area of projects and measurement:

They continue to promote projects and companies with social impact with the aim of improving the livelihoods of the most vulnerable people. The last three milestones have been:

- [Baluwo](#), a cash to goods platform that enables payment from Europe for basic goods and services such as mobile voice and data, electricity and food for migrants' families in rural sub-Saharan Africa, [has closed a €2 million investment round](#) led by impact investment fund manager and supported by the Open Value Foundation.

- A new loan has been granted to [HUSK](#), a social enterprise they first supported in 2018. HUSK's mission is to improve the livelihoods of small-scale rice farmers by transforming an agricultural waste product, rice husks, into biochar, from which fertilisers, substrates and biopesticides are produced to improve soil fertility and yields.
- The [Baobab](#) project of the Pueblos Unidos social intervention centre, with which they have been collaborating since 2015 and of which they are the main donor (more than 80% of the budget), has closed an agreement with UNICEF to replicate the project with a new flat that will open its doors at the end of April to support 11 young people of Sub-Saharan and North African origin.
- Finally, the impact measurement team [travelled to Ghana](#) in January to follow up on Global Social Impact Investments' investments in the country and seek new partnerships and investment opportunities for both the foundation and the fund manager



Photo: HUSK Ventures.

From the training area:

- They continue to support the [Master's Degree in Impact Investment at the Universidad Autónoma de Madrid](#), which has opened registrations for its third edition and has announced the research [awards on impact investment](#). They also closely follow the work of the Comillas University's Social Impact Chair, which is relaunching the Higher [Programme in Social Impact Management and Measurement](#) and creating content from the [Think Tank](#) made up of almost 50 organisations.

- The first edition of the online [course Introduction to Impact Measurement and Management](#) has been launched and more than 170 people from different sectors and profiles have enrolled.

- The 3rd edition of the [Acumen Fellows Programme](#) has started with a cohort of [18 leaders](#) joining to work for social justice. As a novelty, Camilo José Cela University has joined the programme as a collaborator.

From the communication area:

They continue to participate in meetings to publicise the work of the foundation, such as the [Business Breakfast in the Chamber of Commerce of Cantabria](#), creating [content](#) on projects such as the I4SD energy project in Uganda or [the podcast with the social entrepreneur](#) Pablo Santaefemia of the startup Bridge For Billions. In addition, the foundation's team has appeared in the [media](#), all with the aim of contributing to strengthening impact investment in Spain

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