

Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors

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1. Summary

CaixaBank, S A (hereinafter, "CaixaBank" or the "Entity") assesses the principal adverse impacts ("PAIs") of its investment decisions on sustainability factors. This is the consolidated statement on CaixaBank's PAIs for the period running from 1 January to 31 December 2024.

CaixaBank qualifies as a participant in the financial markets under the requirements of Regulation (EU) 2019/2088 on sustainability-related disclosures by financial services providers (hereinafter, "SFDR"), due to its status as a provider of discretionary portfolio management services. This statement therefore covers its activities as such.

When drawing up this document, the guidelines and format set out in Annex 1 of Commission Delegated Regulation (EU) 2022/1288 (the Regulatory Technical Standards, hereinafter "RTS") have been followed as far as possible.

CaixaBank has delegated discretionary portfolio management to CaixaBank Asset Management, S.G.I.I.C., S.A. (hereinafter, "CaixaBank AM" or the "Management Company"), whose investments consist mainly of UCITS managed by CaixaBank AM¹ and by third-party fund managers.

The figures presented for the indicators have been calculated using monthly average positions, based on data provided by MCSI ESG², adjusted in some cases with benchmarking observations obtained from an alternative supplier and other benchmarking observations made by CaixaBank AM.

The specific coverage data for the reporting period in respect of each of the PAIs is shown in the columns titled "Impact 2024" and "Impact 2023" and represents the percentage of assets under management on which the calculation has been made. In some cases, certain constraints on the representativeness of each indicator are described.

The results of the PAI indicators provided in this Statement with respect to the 2023 financial year data are disclosed solely for comparative purposes and correspond to those contained in the "Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors"³ for 2023. The results of some PAI indicators for the 2024 financial year are not comparable to those from the previous year due to updates in the calculation methodologies and changes to the scope and data reporting boundaries relative to the prior reference period. Section 2 delivers a detailed account of the non-comparable indicators, along with the justifications for them.

This statement also includes data for 2022 for information purposes only, as shown in the 'Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors' for that financial year.

To this end, appropriate processes are in place to monitor and/or manage the mandatory PAIs and two additional ones (one climate-related, titled 'Investments in companies without carbon emission reduction initiatives' and another in the social realm titled 'Number of detected cases of serious human rights issues and incidents'), applying due diligence processes to identify, prevent, mitigate and explain how these impacts are addressed.

¹ CaixaBank AM's Statement on PAIs for the 2024 financial year can be found on its website, under [Sustainability AM | CaixaBank AM](#)

² There are no plans to change supplier for the next financial year. Regular meetings are held with this entity to review progress, both in terms of data collection and quality improvement. Despite the progress made, there are still shortcomings, which are expected to be resolved as the sustainable finance regulations currently being implemented are rolled out.

³ You can find the previous Statement at the following link: [Declaracion-Principales-Incidencias-Adversas-CaixaBank-Participante-2023-ES.pdf](#)

The selected additional PAIs relate to: (i) The availability and coverage of the indicator by the data provider; and (ii) the alignment of the indicator with the policies of the CaixaBank Group (the "Group" or the "CaixaBank Group"), as set out in section 3.2 of this statement.

The CaixaBank Group has a framework of sustainability policies to ensure that its activities contribute to sustainable development (see section 3). Among these, the Policy on Engagement in Discretionary Portfolio Management (hereafter referred to as the Engagement Policy) and the Principles of Conduct for the Corporate Sustainability/ESG Risk Management Policy stand out. These frameworks allow for the systematic analysis and monitoring of Principal Adverse Impacts (PAIs) and, where necessary, the implementation of appropriate mitigation measures. These measures may take the form of not investing, divesting, reducing exposure or placing certain assets and issuances under observation, thus initiating the required engagement actions, where applicable.

2. Description of Principal Adverse Impacts for Sustainability

PAIs are negative or potentially negative effects on the environment or society caused by investment decisions. The table in this section describes in detail those PAIs taken into account in 2024.

Basis for preparation

- The statement displays the average monthly value of the PAI indicators for positions held in the discretionary management portfolios of CaixaBank clients, encompassing both direct and indirect investments in corporate and government bonds, as well as equities. The average assets under management for 2024 total 41,550 million euros for the purposes of the SFDR (excluding cash positions and derivatives⁴), 38,483 million euros in 2023.
- The calculation basis in 2024 for calculating the indicators related to investments in companies is 25,040 million euros, and for those related to investments in sovereign and supranational entities, it is 16,510 million euros (22,038 million and 16,445 million, respectively, in 2023).
- The indicators have been calculated by taking the average of the year-end data for each of the months of the year, rather than the average of the year-end levels for each of the calendar quarters of the year. The more frequent data points for calculating the average provide a more accurate representation of the average assets and the value of the indicators throughout the year, provided that the latter data is available.
- The data for these indicators encompass exposure to both direct investment and third-party investment vehicles.
- The results of the indicators have been sourced from the MSCI ESG data provider, adjusted in some cases with benchmarking observations obtained from an alternative supplier and further benchmarking observations made by CaixaBank AM.
- CaixaBank offers no assurance that the information provided by third parties is correct or complete and has no control over any incidents that may arise while analysing and preparing such third-party information.

The coverage percentage for each PAI indicator shows the percentage of assets under management for which data are available, based on the applicable calculation and is indicated in the sections titled "Impact 2024" and "Impact 2023".

Constraints regarding the representativeness of the indicators

Constraints on the representativeness of the indicator occasionally arise, as described to in the "Explanation" section:

- In the case of PAI 4 on exposure to companies active in the fossil fuel sector, the indicator is not considered representative given its definition and calculation method, as it is a binary indicator.

⁴ Derivative exposures (including short positions) and cash balances have been excluded from the computation of assets to be considered for the purposes of this Statement. For these purposes, derivatives are exposures held for the management of the underlying risks of the managed portfolio and cash exposures are tactical management exposures, both of which are excluded from the management anchor for PAI purposes.

- In the case of PAI 5 – *Non-renewable energy production*, PAI 6 – *Energy consumption intensity by sector with high climate impact*, PAI 8 – *Emissions to water*, PAI 9 – *Ratio of hazardous and radioactive waste*, and PAI 12 – *Gender pay gap*, some of them with limited coverage; enhanced quality and an increase in the information received from companies in the coming year could impair the data and/or lead to changes in the management strategy for these PAIs.
- In the case of the PAI 7 – *Activities adversely affecting sensitive areas with regard to biodiversity*, PAI 11 – *Lack of compliance processes and mechanisms to monitor adherence to United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises* and PAI 4 – additional climate indicator, the data of 2023 and 2024 are not comparable due to a change of methodology at the data provider.
- In the case of PAI 16 – *Investment host countries subject to social breaches*, the 2023 data showed limited coverage in the case of exposure through funds managed by third parties and are therefore not comparable with the 2024 data.

These circumstances do not allow for active management of any adverse events that may arise. CaixaBank has tasked CaixaBank AM with: (i) collaborating with the data provider to improve data coverage and quality, thereby enhancing reliability in future years; and (ii) investigating alternative data sources.

Regarding the actions taken during the reference period (2024) and goals for the forthcoming period, the table identifies instances where, due to the prioritisation of PAIs, explicit measures have been implemented in 2024 and/or specific objectives or actions are planned for 2025.

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS						
GHG emissions	1. Greenhouse gas emissions (GHG emissions) (tCO _{2e})				Volume of GHG emissions generated directly by the investee companies. The trend and coverage is considered adequate.	<p>Integration of environmental, social and governance (ESG) factors</p> <p>This process of transitioning to meet the goals set out in the Paris Agreement is a source of risks and opportunities for companies and their business models. The CaixaBank Group is committed to contributing to this challenge by reducing the impact of its operations and directing investment towards sustainable projects, as well as engaging with the companies and issuers in which it invests.</p> <p>To manage these PAIs, CaixaBank AM incorporates material climate metrics pertinent to each sector, such as greenhouse gas (GHG) emissions, energy intensity, and carbon footprint, into its investment decision-making processes. It also assesses the ESG quality of the company using the rating or certain factors as indicators and monitors the climate change impact of the companies it invests in. For products targeting climate change, CaixaBank AM is committed to ensuring that these products outperform the market in terms of climate-related indicators.</p> <p>In line with this commitment, CaixaBank AM, like CaixaBank, adheres to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), as integrated into the relevant ISSB and/or IFRS standards. CaixaBank AM also subscribes to the Transition Pathway Initiative (TPI).</p> <p>Exclusions and restrictions: in accordance with the Sustainability Risk Integration Policy, CaixaBank AM may decide not to invest in companies where there is a significant risk that they will not meet their climate change and decarbonisation commitments in their portfolio. Beyond this general limitation, CaixaBank AM imposes restrictions on investing in companies that derive more than 5% of their revenue from coal-powered energy generation or thermal coal mining and lack a decarbonisation plan set to be realized by 2030; in companies where more than 10% of turnover is related to the exploration, extraction or transportation of oil sands or the exploration, extraction or transportation of oil and gas in the Arctic, and in companies where more than 50% of group turnover is oil and gas and which do not promote the energy transition.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p>
	GHG emissions (Scope 1)	1,034,181.41 (95%)	1,169,581.4 (90%)	1,527,922.6 (83%)		
	GHG emissions (Scope 2)	225,459.44 (95%)	214,949.4 (90%)	274,382.6 (83%)	GHG emissions indirectly caused by the activity of the investee companies (consumption of electricity or other energy sources). The trend and coverage is considered adequate.	
	GHG emissions (Scope 3)	7,710,254.46 (95%)	7,289,683.7 (90%)	8,195,690.2 (83%)	Indirectly generated GHG that occur in the investee's value chain and are not under the control of the investee. The trend and coverage is considered adequate.	
	Total GHG emissions (Scope 1, 2 and 3)	9,058,920.9 (95%)	8,661,773.0 (90%)	10,088,449.9 (83%)	Total volume of GHG emissions. The trend and coverage is considered adequate.	
	2. Carbon footprint (tCO _{2e} / EUR million invested)				Weighted average of total GHG emissions of investee companies, per million euros invested. The trend and coverage is considered adequate.	
	Carbon footprint	362.3 (95%)	393.4 (90%)	419.6 (83%)		
	3. GHG intensity of investee companies (tCO _{2e} / Million EUR sales)				Weighted average of total GHG emissions generated by investees divided by the company's revenue, measured in millions of euros. The trend and coverage is considered adequate.	
	GHG intensity of investee companies	796.2 (99%)	845.6 (94%)	1,012.3 (85%)		

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
4. Exposure to companies active in the fossil fuel sector (%)	Share of investments in companies active in the fossil fuel sector	9.1 (98%)	10.2 (94%)	9.4 (87%)	Percentage of assets under management invested in companies active in the fossil fuel sector ⁵ . The trend in this indicator is considered unrepresentative due to the way it is calculated.	In 2024, CaixaBank AM initiated or continued dialogue with 156 companies, addressing climate change either directly or via its specialised service providers. Among these dialogues, GHG emission reduction was a topic in 125 cases. Additionally, CaixaBank AM is affiliated with and actively participates in the Climate Action 100+ initiative dialogues. In exercising voting rights in 2024, CaixaBank AM supported 66 shareholder-driven proposals on environmental issues, including 46 targeting climate change and 11 focusing on GHG emissions. See more details in the 2024 Annual Report on Dialogue and Voting.
5. Proportion of non-renewable energy production and consumption (%)	Proportion of non-renewable energy consumption and non-renewable energy production of investees from non-renewable energy sources versus renewable energy sources (share of total energy sources)	Production: 68.6 (19%) Consumption: 60.8 (78%)	66.5 (79%)	71.7 (79%)	Weighted average of the percentages of non-renewable energy production and consumption of the investees ⁶ . The trend in this indicator is not representative due to the way it is calculated.	Data limitations We believe that the evolution of the aggregated data for PAI 4 does not accurately reflect the portfolio's exposure to the fossil energy sector at the entity level, due to its binary nature. For its calculation, if a company is classified as active, the entire investment is counted, regardless of the actual level of activity (it considers 100%, whether the activity is marginal or central). The PAI 5 (production) and 6 indicators suffer from low data coverage. As a result, its value is not representative and does not allow for active management of adverse impacts that may occur in these indicators. CaixaBank AM is actively collaborating with its expert data provider to enhance the coverage and quality of data for this indicator to achieve higher reliability in future assessments.

⁵ Companies active in the fossil fuel sector means companies that derive any revenues from (i) exploration, extraction, distribution or refining of hard coal and lignite; (ii) exploration, extraction, distribution (including transportation, storage and trade) or refining of liquid fossil fuels; and (iii) exploration and extraction of gaseous fossil fuels or of its specific distribution (included transportation, storage and marketing).

⁶ Non-renewable energy sources are sources other than non-fossil renewable sources, i.e. wind energy, solar energy (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tidal energy, wave energy and other ocean energy, hydropower and energy from biomass, landfill gas, sewage treatment plant gas and biogas.

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
6. Intensity of energy consumption by sector with high climate impact <i>(GWh / Millions of EUR revenue)</i>	Energy consumption in GWh per million EUR revenue of investee companies, by high climate impact sector	Sector A Agriculture, livestock, forestry and fishing	0.5 (55%)	0.8 (56%)	0.9 (55%)	Sum of the weighted averages of exposure to sectors with high climate impact. The trend in this indicator is not considered representative due to the low coverage of the data.
		Sector B: Mining and quarrying	0.6 (55%)	0.7 (56%)	4.7 (55%)	
		Sector C Manufacturing industry	0.7 (55%)	1.4 (56%)	2.2 (55%)	
		Sector D Electricity, gas, steam and air conditioning	3.1 (55%)	6.2 (56%)	8.2 (55%)	
		Sector E Water supply, sanitation, waste management and decontamination	2.8 (55%)	3.3 (56%)	2.3 (55%)	
		Sector F Construction	0.2 (55%)	0.2 (56%)	0.2 (55%)	
		Sector G Wholesale and retail trade; repair of vehicles (...)	0.2 (55%)	0.2 (56%)	0.5 (55%)	
		Sector H Transport and storage	1.3 (55%)	1.9 (56%)	2.3 (55%)	
		Sector L Real estate activities	0.5 (55%)	0.4 (56%)	0.4 (55%)	

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
Biodiversity	7. Activities adversely affecting sensitive areas with regard to biodiversity⁷ (%)	7.2 (98%)	0.4 (94%)	0.0 (87%)	<p>The data is an estimate from our specialized provider, based on evidence of the company's involvement in controversial activities impacting biodiversity-sensitive areas.</p> <p>The trend in this indicator is not considered representative owing to changes in the methodology employed by the data provider to improve data quality.</p>	<p>Integration of ESG factors</p> <p>CaixaBank AM tracks the biodiversity impact of the companies in its portfolio by analysing activities detrimental to biodiversity-sensitive areas. It employs an alert system to identify emerging serious controversies at the invested companies.</p> <p>Before an investment is made, the company's potential exposure to disputes involving, inter alia, significant negative impacts on biodiversity is assessed. The company's ESG assessment conducted by specialised data providers is also analysed. Biodiversity risk management indicators are included in this assessment where they are material to the company's sector.</p> <p>Exclusions and restrictions: in line with the Sustainability Risk Integration Policy, CaixaBank AM will not invest in companies that seriously violate the fundamental principles set out in the United Nations Global Compact (UNGC) on environmental protection, including those that pose a threat to biodiversity.</p> <p>Dialogue and voting</p> <p>CaixaBank has undertaken dialogue actions with CaixaBank Asset Management (AM) as the service provider to collaborate with the data provider in improving data quality.</p> <p>In 2024, CaixaBank AM engaged in 86 dialogue processes focused on biodiversity protection with its specialized service providers, addressing issues such as deforestation, impact assessments, biodiversity dependency, regenerative agriculture, land use, and supply chain biodiversity. CaixaBank AM is also affiliated with, and directly involved in, the <i>Spring</i> initiative to promote collaborative dialogue on nature. See more details in the 2024 Annual Report on Dialogue and Voting.</p> <p>The 2025–27 Engagement Plan includes the loss and degradation of nature as a new priority environmental issue, along with the potential establishment of corrective actions, objectives, and timelines to address these challenges.</p> <p>Data limitations</p> <p>New methodological changes, improved data quality, and a greater influx of information from companies in the coming year could significantly affect the data, and as a result, lead to changes in the management strategy of this PAI.</p>

⁷ Activities that have an adverse effect on biodiversity are those that involve the degradation of natural habitats and species habitats and disturb the species for which the protected areas have been designated and where none of the findings, mitigation measures or impact assessments have been applied in accordance with the Directives, national provisions or international standards considered equivalent to those Directives by the competent EU bodies. Sensitive areas in terms of biodiversity include the Natura 2000 network of protected areas, Unesco World Heritage sites and Key Biodiversity Areas, as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139.

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
Water	8. Emissions to water <i>(Tonnes of emissions to water / Million EUR invested)</i>	Tonnes of emissions to water generated by investees per million EUR invested (weighted average)	0.4 (1%)	1.1 (1%)	42.0 (11%)	<p>Integration of ESG factors</p> <p>CaixaBank AM monitors the impact on water resources by analysing activities that have a negative effect on these resources, using an alert system to detect any controversies within its portfolio companies.</p> <p>Prior to any purchase, CaixaBank AM assesses the company's potential exposure to disputes involving, among other things, negative impacts on water resources. The company's ESG assessment is also analysed by specialised suppliers, whose assessment takes into account indicators related to exposure to water stress and water resource management, where material in the company's industry.</p> <p>Exclusions and restrictions: In accordance with the Sustainability Risk Integration Policy, CaixaBank AM will not invest in companies that seriously violate the fundamental principles of the UNGC on environmental protection, including those that pose a threat to water resources.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p> <p>In 2024, CaixaBank AM conducted 21 discussions related to water pollution and water stress, which covered topics such as the development of water management strategies, and the disclosure and management of water resources through its specialised service providers. See more details in the 2024 Annual Report on Dialogue and Voting.</p> <p>Data limitations</p> <p>Greater coverage, higher data quality and an increase in the information received from companies in the coming year could lead to changes in the management strategy of this PAI.</p>

⁸ Emissions to water are direct emissions of priority pollutants as defined in Article 2(30) of Directive 2000/60/ EC of the European Parliament and of the Council and direct emissions of nitrates, phosphates and pesticides.

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
Waste	9. Ratio of hazardous and radioactive waste					Integration of ESG factors CaixaBank AM monitors the impact of its investments in relation to hazardous and radioactive waste, in particular through alerts that enable it to identify new controversies that may affect portfolio companies. Before making any purchase, CaixaBank AM checks whether the company may be exposed to controversies related to, among other things, environmental pollution and poor management of hazardous waste. The company's ESG assessment is also analysed by specialised suppliers, whose assessment takes into account indicators linked to waste management, provided that it is material in the company's sector.
	<i>(Tonnes of hazardous and radioactive waste / Million EUR invested)</i>	1.8 (63%)	6.2 (36%)	13.4 (36%)	Weighted average of tonnes of hazardous and radioactive waste ⁹ generated by investee companies per million euros invested. The evolution of this indicator is considered unrepresentative due to the low coverage of the data.	Exclusions and restrictions: in accordance with the Sustainability Risk Integration Policy, CaixaBank AM will not invest in companies that seriously breach the fundamental principles of the UNGC on environmental protection, especially those causing pollution from the mismanagement of hazardous and radioactive waste. Dialogue and voting In 2024, CaixaBank AM held 20 dialogue processes linked to waste management on issues such as the circular economy, through its specialised service providers. <i>See more details in the 2024 Annual Report on Dialogue and Voting.</i> Data limitations Increased coverage, improvements in data quality, as well as an increase in the information received from companies in the coming year may lead to changes in the management strategy of this PAI.

INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS AND THE FIGHT TO COMBAT CORRUPTION AND BRIBERY

Social and labour issues	10. Violations of the principles of the UNGC and the OECD Guidelines for Multinational Enterprises					Integration of ESG factors CaixaBank AM monitors the level of controversies relating to the UNGC Principles among the investee companies, particularly through alerts from our suppliers that enable us to detect new controversies or events that could affect the companies. If a very severe event is detected, it is analysed by the specialised working group and the SRI Committee may then approve the best of course of action.
	<i>(%)</i>	0.1 (99%)	0.3 (95%)	0.5 (87%)	Percentage of investee companies that have been associated with violations of the mentioned international standards. These violations are not reported by the companies. The specialized data provider assesses events or activities	

⁹ Hazardous waste is waste as defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council; and radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom.

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
	for Multinational Enterprises				<p>undertaken by companies that could potentially violate any principles or guidelines of the cited standards.</p> <p>The current exposure primarily stems from investments in third-party managed funds or positions authorized by the CaixaBank AM SRI Committee. Such authorizations occur after available information is analysed, and it is determined that the controversy identified by the data provider is not as serious as indicated, following the process outlined in the Sustainability Risk Integration Policy.</p> <p>The evolution of the indicator and of the coverage is considered adequate.</p>	<p>Before any investment, CaixaBank AM checks whether the company may be in breach of the UNGC Principles. This analysis is carried out by specialised suppliers, whose evaluation indicates the controversies regarding breaches of these principles.</p> <p>Exclusions and restrictions:</p> <p>Under its Sustainability Risk Integration Policy, concerning international treaties and norms, CaixaBank AM implements exclusions and restrictions and refrains from investing in companies that gravely infringe upon the core principles of the UNGC, specifically in the areas of human rights, labour rights, the environment and corruption.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p> <p>In this context, CaixaBank AM has engaged in both dialogues and voting activities concerning possible violations of key international principles and treaties in these matters. These efforts are conducted, among other means, through its commitment to and active involvement in the 'Advance' initiative, supported by the Principles for Responsible Investment (PRI).</p> <p>In 2024, a total of 111 dialogues were conducted with companies regarding potential breaches of major international treaties, facilitated by specialised service providers. More precisely, and concerning the UNGC Principles, there were 64 dialogues focused on human rights issues, 23 on labour rights, 6 on combating corruption, and 46 on environmental principles. Regarding the OECD Guidelines for Multinational Enterprises, there were 46 dialogues related to human rights, 40 concerning labour rights, 11 on corruption and bribery, and 48 addressing the environmental guidelines. See more details in the 2024 Annual Report on Dialogue and Voting.</p> <p>Data limitations</p> <p>The coverage and quality of the data are adequate for active management of the indicator.</p>

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
11. Lack of compliance processes and mechanisms to monitor adherence to UNGC Principles and OECD Guidelines for Multinational Enterprises (%)	Proportion of investments in companies lacking policies for monitoring adherence to the UNGC principles or OECD Guidelines for Multinational Enterprises, or lacking grievance handling mechanisms to address violations of said principles or guidelines	7.1 (98%)	39.9 (94%)	39.7 (86%)	Percentage of investees that do not have policies in place to monitor the standards referred to. The trend in this indicator is not considered representative owing to changes in the methodology employed by the data provider to improve data quality.	<p>Integration of ESG factors</p> <p>In the event that an adverse impact is detected in PAI 10, the company's policies and processes are examined in greater detail to ensure adherence to the UNGC Principles and the OECD Guidelines for Multinational Enterprises.</p> <p>Data limitation</p> <p>The poor quality of data, resulting from the limited disclosure of such information by companies, hinders the systematic management of this adverse impact, which is restricted to instances where an adverse impact is already identified in the PAI 10 indicator. An increase in the amount of information disclosed by companies in the future may lead to changes in the management strategy for this PAI.</p>
						<p>Integration of ESG factors</p> <p>The coverage of the indicator is low and the limited information published by companies on the pay gap does not allow for a systematic inclusion of this adverse impact on investment processes.</p> <p>Dialogue vote</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce the PAI.</p> <p>In this context, CaixaBank AM will advocate for enhanced information quality and data accuracy through dialogue with the companies. In 2024, 12 dialogues were held with companies that did not comply with best practices in transparency. <i>See more details in the 2024 Annual Report on Dialogue and Voting.</i></p> <p>Regarding the exercise of voting rights, in 2024 CaixaBank AM supported 14 shareholder-proposed resolutions calling for increased transparency concerning the company's gender pay gap. <i>See more details in the 2024 Annual Report on Dialogue and Voting.</i></p> <p>In the 2025–27 Engagement Plan, good governance and social best practices continue to be a priority in the realm of sustainability. Among the identified priority objectives for initiating dialogue actions is the issue of pay disparity transparency, to be addressed by publishing a salary gap report. <i>For more details, see the Engagement Plan.</i></p>
12. Gender pay gap, unadjusted (%)	Unadjusted average gender pay gap of investee companies	12.7 (54%)	12.8 (30%)	12.8 (24%)	<p>Weighted average of the unadjusted pay gap of investee companies.</p> <p>The unadjusted pay gap is the difference between the average gross hourly earnings of male and female wage earners as a percentage of the average gross hourly earnings of male wage earners.</p> <p>This indicator does not take into account segmentations by professional category, age, seniority or type of contract.</p> <p>The trend in this indicator is not considered representative due to low coverage and lack of data quality.</p>	

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
Data limitations						
Enhanced coverage, data quality, and an increase in information received from companies in the upcoming reference period may lead to changes in the management strategy for this PAI.						
Integration of ESG factors						
CaixaBank AM evaluates gender diversity within the governing bodies of companies and actively exercises its voting rights at General Shareholders' Meetings with the goal of fostering gender diversity on the Board of Directors. The company's ESG assessment by specialised providers, which includes gender diversity indicators, is also analysed under the governance pillar.						
Dialogue and voting						
CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.						
In 2024, CaixaBank AM engaged in 10 dialogue processes related to gender diversity via its specialised service provider. Regarding voting, in 2024 CaixaBank AM voted against the appointment or re-election of board members at 60 General Shareholders' Meetings, as the board composition did not satisfy the minimum gender diversity requirements.						
Furthermore, the 2025–27 Engagement Plan's identified sustainability priorities once again emphasise adherence to the most stringent market standards for the minimum representation of women on boards.						
Data limitations						
The coverage and quality of the data are adequate for active management of the indicator.						
Integration of ESG factors						
CaixaBank AM systematically monitors its exposure to controversial weapons through related investee companies. Prior to any investment, CaixaBank AM assesses the potential exposure of the company or investment vehicle to controversial weapons, including anti-personnel mines, cluster bombs, chemical, and biological weapons.						
Exclusions and restrictions						
In accordance with the Sustainability Risk Integration Policy, CaixaBank AM will not invest in companies involved in the development, production, maintenance or trade of controversial weapons. In other words, companies:						
<ul style="list-style-type: none"> Involved in the production of controversial weaponry, 						
13. Gender diversity of the board of directors (%)	Proportion between the number of women on the board of directors and the total number of board members (men and women) of investee companies	36.3 (97%)	35.2 (93%)	34.0 (85%)	Weighted average percentage of women on the boards of directors of the investees. The trend and coverage is considered adequate.	
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (%)	Proportion of investments in companies engaged in the manufacture or sale of controversial weapons	0.0 (99%)	0.1 (94%)	0.1 (87%)	Percentage of assets under management invested in companies involved in the production or sale of controversial weapons. The existing exposure is residual and is based solely on investments through third-party vehicles. The trend and coverage is considered adequate.	

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
						<ul style="list-style-type: none"> Suppliers of essential or non-essential components or services, Engaged directly in designated activities, or indirectly if they hold more than a 50% stake in firms that produce controversial weapons or provide essential or non-essential components or services. <p>In instances of exposure to controversial weaponry through third-party investment vehicles, due to the nature of this asset, CaixaBank AM sets a maximum exposure limit. Should there be direct exposure to a company connected to controversial arms, CaixaBank AM will proceed to divest from that position.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p> <p>In this regard, CaixaBank AM will initiate dialogue with third-party managers to encourage a reduction in exposure to controversial weaponry when established limits are exceeded.</p> <p>Data limitations</p> <p>The coverage and quality of the data are adequate for active management of the indicator.</p>

INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGN AND SUPRANATIONAL ENTITIES

Environmental	15. GHG intensity	GHG intensity of investment host countries	220.7 (98%)	243.0 (99%)	252.5 (97%)	<p>Weighted average of the GHG (greenhouse gas) emissions intensity relative to the gross domestic product (GDP) of the countries receiving the investment.</p> <p>The trend and coverage is considered adequate.</p>	Integration of ESG factors
	(tCO _{2e} / Billion EUR GDP)						<p>To manage this PAI, CaixaBank AM integrates climate metrics into its investment decision-making processes. CaixaBank AM considers the GHG emissions indicators of states and also evaluates the ESG quality of the states where it invests.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p> <p>In this regard, in 2023 CaixaBank AM is adhered to the TPI, which is developing the ASCOR (Assessing Sovereign Climate-related Opportunities and Risks) project, designed to develop methodologies for assessing sovereign debt from a climate risk perspective.</p> <p>In 2024, it also joined the Global Investor Statement to Governments on the Climate Crisis, a collaborative forum for dialogue on climate-related matters dialogue that seeks to accelerate the private capital flows needed for a just transition to climate resilience.</p> <p>Data limitations</p> <p>The coverage and quality of the data are adequate for active</p>

SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
						management of the indicator, although there is no generally accepted methodology for evaluating public debt from this perspective.
						<p>Integration of ESG factors</p> <p>Before any investment, CaixaBank AM evaluates the potential for violations by the State of key social issues as outlined in international treaties or applicable national legislation. CaixaBank AM monitors the severity of social breaches and the trend in the ESG rating.</p> <p>Should there be a direct investment in the public debt of countries with social violations, CaixaBank AM will divest from that position. When it comes to exposure through third-party investment vehicles, given the nature of this asset, the Investment Manager sets a maximum exposure limit and continues to liaise with third-party managers of material assets to mitigate any incidents detected.</p> <p>Dialogue and voting</p> <p>CaixaBank has engaged in dialogue with CaixaBank AM (service provider) to take the necessary mitigation measures to reduce PAI.</p> <p>In this regard, CaixaBank AM has liaised with third-party fund managers to encourage them to lower their investments in the public debt of countries with social violations, when the established limits are breached.</p> <p>Exclusions and restrictions:</p> <p>According to the ESG Risk Integration Policy, in the realm of human rights, CaixaBank AM enforces a series of exclusions and restrictions, refraining from investing in states that commit serious human rights abuses.</p> <p>Data limitations</p> <p>This year's data cannot be compared with that of the previous year. Data on exposure are available only through investment in third-party vehicles from May 2023 onward. In the early months, the data included in the statement related solely to direct investment positions.</p>
Socials	16. Investment host countries subject to social breaches <i>(No. and %)</i>	Number of investment host countries where social legislation has been violated (absolute number and relative number, divided by all host countries of the investment) covered by international treaties and conventions, UN principles and, where applicable, national laws.	Absolute: 7.8 (98%) Relative: 6.7 (98%)	Absolute: 5.3 (95%) Relative: 4.4 (95%)	Absolute: 0.0 (-%) Relative: 0.0 (-%)	Number of recipient countries of investment that are subject to social breaches and the percentage they represent of the total recipient countries of investment. There are no direct positions in the debt of countries with social violations. The exposure arises from investments made through third-party vehicles and pertains to small-scale holdings in government bonds issued by China, Guatemala, Lebanon, Iraq, Tunisia, Turkey, Russia and Venezuela.

INDICATORS WHICH APPLY TO INVESTMENTS IN PROPERTY ASSETS

Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets related to extraction, storage, transport	-	-	-	CaixaBank had no exposure to this type of asset during the reporting period	Not applicable
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SUSTAINABILITY INDICATOR IN RELATION TO ADVERSE IMPACTS	PARAMETER	IMPACT 2024 (COVERAGE)	IMPACT 2023 (COVERAGE)	IMPACT 2022 (COVERAGE)	EXPLANATION	ACTIONS TAKEN, ACTIONS ENVISAGED AND TARGETS SET FOR THE FORTHCOMING REPORTING PERIOD
	or manufacture of fossil fuels					

Energy efficiency	18. Exposure to energy inefficient real estate assets	Percentage of investments in energy inefficient real estate assets	-	-	-	CaixaBank had no exposure to this type of asset during the reporting period	Not applicable
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OTHER INDICATORS OF THE PRINCIPAL ADVERSE IMPACTS ON THE SUSTAINABILITY FACTORS

INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ADDITIONAL ENVIRONMENT-RELATED INDICATORS

Issuances	4. Investments in companies with no carbon reduction initiatives (%)	Percentage of investments in companies with no carbon reduction initiatives to fulfil the Paris Agreement	36.8 (97%)	27.5 (93%)	34.6 (85%)	<p>Percentage of assets under management invested in companies that have no initiatives to reduce carbon emissions.</p> <p>The trend in this indicator is not considered representative owing to changes in the methodology employed by the data provider to improve data quality.</p>	<p>Integration of ESG factors</p> <p>This indicator complements the management of the other PAI indicators related to climate change. It is in line with the sustainability strategy and climate change statement of the CaixaBank Group, as detailed previously, and with the Engagement Policy of CaixaBank AM.</p> <p>See the detailed measures and objectives in PAIs 1, 2, 3, 4, 5 and 6.</p>
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ADDITIONAL INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT TO COMBAT CORRUPTION AND BRIBERY

Human rights	14. Number of detected cases of serious human rights issues and incidents (No. / Millions of EUR invested)	Number of cases of serious human rights issues and incidents linked to companies invested in on a weighted-average basis	0.0 (99%)	0.0 (95%)	0.0 (87%)	<p>Cases detected per million euros invested in companies in which cases of serious human rights problems and incidents have been identified.</p> <p>The trend and coverage are considered adequate.</p>	<p>Integration of ESG factors</p> <p>The management of this PAI aligns with the sustainability strategy and Human Rights Principles of the CaixaBank Group, which includes CaixaBank AM, as well as with both entities' Engagement Policies; and with a high level of coverage.</p> <p>See the detailed measures and objectives in PAI 10.</p>
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3. Description of policies to identify and prioritise the Principal Adverse Impacts on sustainability factors

Below we contextualise how the investment framework for integrating environmental, social and governance (ESG) factors into investment analysis is established, which in turn enhances and is fed back into regular due diligence processes.

Within this broad framework, CaixaBank has a set of policies to identify and prioritise PAIs on sustainability factors. These policies are kept up to date, reviewed regularly (at least once a year) and approved by the relevant governing bodies.

As regards the allocation of responsibility for the application of policies within the framework of organisational policies and procedures, the three lines of defence model is applied, in which the first line of defence is responsible for applying policies, the second for monitoring their effective application, and the third for auditing them.

3.1 Responsible investment framework

The CaixaBank Group has established a corporate framework for investment governing the provision of discretionary portfolio management services, based on three central pillars:

1. **Integrating both ESG factors** (including controversy monitoring) and traditional financial criteria into investment decisions and analysis relating to discretionary portfolio management service:
 - Among other factors, material ESG indicators for the sector or company as well as sustainability ratings are taken into account in the investment selection and analysis. These indicators and ratings take into account the adverse impacts of issuers and sustainability risks which, were they to materialise, could adversely affect the value of the investment.
 - CaixaBank AM also actively monitors any serious sustainability controversies that could be associated with an issuer in its portfolio or investment universe (which may include incidents relating to biodiversity, water, waste or human rights).
 - PAIs linked to greenhouse gas emissions (PAI 1–6) are managed in this environment; PAI 15 and additional environmental PAI 4), biodiversity (PAI 7), water (PAI 8) and waste (PAI 9) are managed.
2. **In terms of sector exclusions and restrictions**, CaixaBank AM's Sustainability Risk Integration Policy also establishes the following:
 - CaixaBank AM may decide against investing in issuers or countries that gravely breach the core principles contained in the UN Global Compact, particularly regarding human rights, labour rights, environmental protection, and anti-corruption efforts. Similarly, it may opt out of investing in issuers that potentially pose a material risk of failing to honour their climate change commitments, including those related to the decarbonisation of their portfolios. Moreover, it enforces specific exclusions and restrictions for activities connected with thermal coal, oil and gas, weaponry, and oil sands.
 - This environment is used to monitor PAIs relating to breaches of the UN Global Compact and the OECD Guidelines for Multinational Enterprises (PAI 10), infractions in countries with social breaches (PAI 16), companies with severe human rights problems and incidents (PAI 14 additional social indicator), and involvement with controversial weaponry (PAI 14).
3. **Long-term engagement** through dialogue actions carried out through CaixaBank AM with both issuers and third-party fund managers, with the aim of improving and changing behaviours in relation to certain relevant matters, including, when discovered, adverse incidents or ways to improve the management of impacts, both positive and negative. Potentially applies to all PAIs.

In this framework, and in order to determine the existence of possible adverse impacts, CaixaBank AM periodically assesses the performance of the PAI indicators against the results obtained in the immediately preceding period. An adverse impact on sustainability factors may be deemed to exist when there is evidence of a material

deterioration in the performance of these indicators; or, for some indicators, when certain thresholds established through CaixaBank Group policies or procedures, which include restrictions on investment in certain activities or sectors, are exceeded.

In particular, the Group has policies in place to exclude or restrict investments in companies found to be in breach of the principles of the UN Global Compact (following a process of case analysis and remediation assessment), in breach of key international treaties and standards, or which have exposure to controversial sectors.

In any case, should an adverse impact be identified, CaixaBank AM will assess it in accordance with the criteria set out in the Sustainability Risk Integration Policy, application procedure, and Engagement Plan for the relevant financial year.

These measures may take the form of not investing, divesting, reducing exposure or placing exposure under observation. These measures may consist of not investing, divesting, reducing exposure or placing under observation. These measures may be complemented, where appropriate, by the exercise of active ownership through engagement measures such as dialogue and/or the exercise of voting rights to which CaixaBank AM is entitled in proportion to its shareholding in the investee company (excluding discretionary portfolio management, as there is no delegation of the exercise of voting rights by the client).

In the defined methodology, no scenario analysis, probability of occurrence analysis, or margins of error are applied. As regards the source of the data, MSCI is engaged as the main data provider. When the lack of coverage or data quality does not allow for active management of any adverse impacts that may occur, CaixaBank AM works alongside the data provider to improve the coverage and quality of the data as much as possible to obtain greater reliability for subsequent years, and will also review data sources from other providers.

3.2 Sustainability policies

These policies make up a framework of control to avoid events that could lead to adverse impacts on sustainability, as well as to minimise them to the extent possible:

Principles of action of CaixaBank's Corporate Sustainability/ESG Risk Management [March 2025]¹⁰

The purpose of this policy is to establish the principles, premises and mechanisms to ensure that the ESG risks associated with customers and proprietary investments are governed, managed and controlled such that they comply with the expectations of the Group's stakeholders. The contents contained in the policy include: a regulatory framework, a system of governance, management, and control, as well as the corporate strategy regarding ESG risks, among other elements. It governs the management of the social and environmental impacts of investee companies' activities.

CaixaBank AM Sustainability Risk Integration Policy [May 2025]¹¹

The Sustainability Risk Integration Policy lays out the principles for incorporating ESG criteria into the processes and decision-making for providing investment services—together with traditional financing criteria—from a risk perspective that is defined as the ESG situation or condition that, if it were to happen, could have a negative material impact on the value of the investment.

Broadly speaking, this Policy governs investments carried out on behalf of others in respect of all vehicles and portfolios managed by the Fund Manager, except those which, on an exceptional basis (as in the case of index funds), fall outside the scope of the Sustainability Risk Integration Policy, or those subsidiaries which, due to regulatory requirements, have their own policy in place.

¹⁰ [Principles of action of CaixaBank's Corporate Sustainability/ ESG Risk Management](#)

¹¹ [CaixaBank AM Sustainability Risk Integration Policy](#)

Engagement Policy of CaixaBank AM [April 2024]¹²

As detailed in the following section.

CaixaBank's engagement policy in relation to discretionary portfolio management [May 2022]¹³

As detailed in the following section.

In addition to the aforementioned policies, CaixaBank has a broad set of [rules of conduct and principles of action](#) there to instil an ethical and transparent culture among all members of the organisation, all of which can be found on the corporate website.

It also has various public positions on environmental and social strategy, including its [Declaration on Climate Change](#) [February 2024], [Declaration on Nature](#) [February 2024] and [Human Rights Principles](#) [February 2024], all of which, together with the policies outlined above, guide its strategic lines of action.

3.3 Criteria for the selection of additional indicators

In order to select the additional PAI indicators to be reported on, an analysis was carried out prioritising the following factors (i) The availability and coverage of the indicator by the data provider; and (ii) the alignment of the indicator with the Group's policies, as set out in section 3.2 of this statement.

As a result of this analysis, the additional PAI indicators listed in point 2 above have been selected and are set out below:

- Table 2, indicator 4: Investments in companies without carbon reduction initiatives.
- Table 3, indicator 14: Number of detected cases of serious human rights problems and incidents.

4. Engagement Policy

4.1 Engagement Policy of CaixaBank AM [April 2024]

The Engagement Policy applies broadly to all vehicles and portfolios managed by CaixaBank AM, except those for which the owners have decided to retain voting rights and carry out engagement activities themselves, or those subsidiaries which, due to regulatory requirements, have their own engagement policy.

The main objectives of this Policy are as follows:

- Maximise the creation of shared value for stakeholders and foster long-term relationships based on trust and transparency.
- Identify, prevent, and mitigate the principal adverse impacts of investment decisions on sustainability factors.
- Maximise the profitability and ensure the responsible management of CaixaBank AM's business, seeking a balance between financial and non-financial performance.
- Extend responsible principles and practices to advance together towards progress in social and environmental matters.

¹² [Engagement Policy of CaixaBank AM](#)

¹³ [CaixaBank's engagement policy in relation to discretionary portfolio management](#)

The Engagement Policy applies broadly to all PAIs. The PAI indicators considered in the policies are as indicated in section 3 of this document. The way the engagement policy is adapted when there is no reduction in the PAI is explained in the section on dialogue actions.

CaixaBank AM diligently engages in dialogue and exercises attendance and voting rights, always for the exclusive benefit and interest of investors and shareholders:

Dialogue actions:

CaixaBank AM may engage in dialogue either directly with the providers of investment products and issuers, or collaboratively with other investors, or through a third party acting on its behalf. In this regard, collaborative actions with other investors will be prioritised, as these are considered to be more effective in changing habits and behaviours among issuers. If dialogue with the issuer is chosen, this will be done, as far as possible, while always preserving the independence of the Fund Manager and the interests it represents.

In the case of third-party products such as investment funds, and in addition to dialogue processes, due diligence processes will be carried out on a regular basis to assess ESG integration procedures at fund manager level and in terms of the investments it makes. Among the various aspects analysed, special attention will be paid to mechanisms relating to engagement, dialogue and voting.

If, as a result of dialogue with a company, a favourable outcome has not been achieved, voting may be used as a strategy to continue dialogue with the company based on the achievements made. The steps taken may include supporting motions put forward at the behest of shareholders seeking greater transparency or better ESG performance, or voting against the election (or re-election) of a board member responsible for ESG issues if an adverse impact has occurred during their term.

The above applies to any PAI. In other words, the approach to reducing IPAs related to a specific entity consists of addressing the situation first through dialogue and/or voting. The description regarding the Engagement Plan explains in greater detail why CaixaBank AM considers these actions to be the most effective in reducing PAIs. If these engagement actions fail to achieve the desired outcomes, we move on to consider the escalation strategy, as described and set out in our policies and procedures.

These policies are continuously reviewed, monitored and adapted to ensure their alignment with regulatory requirements and developments in sustainability. They may also be adapted down the line in response to the trend in, and performance of, the PIA indicators.

Exercise of voting rights:

CaixaBank AM shall exercise the voting rights attaching to the listed securities comprising the portfolios it manages, always in the exclusive interest of the investors. It will exercise its voting rights in line with its socially responsible investment approach and looking at social responsibility, sustainable development and good governance matters, all of which are essential when appraising a company.

Thus, by exercising its voting rights, CaixaBank AM aims to influence corporate policies to improve the deficiencies identified in relation to ESG concerns.

CaixaBank AM exercises its voting rights after assessing the medium- and long-term performance of the companies in which it invests, considering environmental, social and governance issues in line with its adherence to the Principles for Responsible Investment (PRI).

The rights to attend general meetings and vote on listed securities are exercised directly or by proxy granted to a fellow shareholder, in which case the vote must be cast in accordance with the instructions given in the proxy, as previously decided by CaixaBank AM.

The Engagement Policy takes into account CaixaBank AM's adherence to the Code of good practices for institutional investors, asset managers and proxy advisors in relation to their duties in respect of assets entrusted to or services provided by them, as approved by the Spanish National Securities Market Commission on 22 February 2023 (the "Code of Best Practice for Investors").

Engagement Plan 2025–27

The Engagement Plan is aligned with the provisions of CaixaBank AM's engagement policy. It aims to prioritise the most relevant actions for voting and dialogue, i.e. those capable of achieving the greatest impact on issuers' behaviour and enabling the most efficient use of available resources.

The priorities have been determined with regard to:

- the CaixaBank Group's ambitions with regard to sustainability;
- the sustainability commitments made by CaixaBank AM, including the Principles for Responsible Investment (PRI), the TCFD recommendations integrated into the relevant ISBB and/or IFRS standards, or other industry initiatives;
- the global context and practices in sustainability;
- the principal adverse impacts (PAIs) of investments;
- the portfolio profile (its sector and geographical exposure, ESG characteristics, etc.); and
- the resources available at CaixaBank AM, the relevant positions, and/or the social and/or environmental impact.

4.2 Engagement Policy in relation to discretionary portfolio management [May 2022]

The Engagement Policy is applicable to the provision of discretionary portfolio management services, which it has delegated to CaixaBank AM. This Policy sets the principles followed to participate in the decisions of the companies and issuers it invests in, considering environmental, social and governance criteria.

This policy has the following goals:

- To encourage the engagement of intermediaries and asset managers in the governance of investee companies.
- Improve the transparency of investment strategies, engagement policies and the process for exercising voting rights, especially when voting advisors are used.

The Engagement Policy sets out the dialogue actions to be carried out through CaixaBank AM. When it comes to exercising voting rights, clients of the discretionary portfolio management service do not typically delegate to CaixaBank the vote or exercise of the voting rights inherent in the shares they hold. Accordingly, CaixaBank will not exercise the voting or political rights arising from the shares held by its customers under the discretionary mandates managed, insofar as customers retain the exercise of voting rights under the provisions of the discretionary portfolio management contract.

For those contracts where discretionary portfolio management is primarily carried out with funds managed by CaixaBank AM, clients adhere to the voting policy of this institution.

5. References to international standards

Through the Group's commitment to various international guidelines, it establishes business conduct criteria in adherence to the primary standards recognized internationally for due diligence. These standards encompass the Group's responsibilities and the applicable regulations for conducting its activities in particular sectors, aimed at mitigating the risk of events that might lead to sustainability-related adverse incidents.

Both CaixaBank and CaixaBank AM consider various international standards as part of their control framework to prevent events that could result in adverse impacts on sustainability and are committed to several initiatives in this domain that strengthen their management of ESG risks and factors.

The alignment between the PAI (Principal Adverse Impact) indicators and international standards is determined by the thematic areas they have in common. For instance, if CaixaBank AM (to the extent that it is responsible for the discretionary management of its client portfolios) has adopted environmental standards and commitments, the monitoring and management of the environment-related PAI indicators will be influenced, more or less, by these standards and commitments.

See the table in section 2 for specific references to the methods and data used, as applicable, to measure adherence to or achievement of the Paris Agreement goals, including the scope of coverage, sources of data, or the way in which the employed methods anticipate the PAIs.

Concerning its commitments and initiatives, CaixaBank AM undertakes the following actions on a regular basis to monitor adherence to policies and commitments:

- Periodic review of policies/memberships by governing bodies.
- Oversight of compliance by the relevant authorities, and, if necessary, the establishment of control measures, objectives, and action plans, as well as the reporting of progress.

5.1 International standards related to environmental issues

The subjects and commitments outlined in these statements are associated with some of the PAI indicators relevant to environmental matters (indicators 1, 2, 3, 4, 5, 6, and 15 in Table 1; as well as indicator 4 in Table 2 of Annex I of the RTS):

- CaixaBank AM (and CaixaBank) follows the TCFD recommendations integrated into the relevant ISSB and/or IFRS standards.
- Adherence to the Transition Pathway Initiative (TPI)
- Adherence to the Swing initiative on nature.
- Global Investor Statement to Governments on the Climate Crisis.

5.2 International standards related to social issues

The subjects and commitments outlined in these declarations are associated with some of the PAI indicators relevant to social and labour issues (indicators 10, 11, 12, 13, 14, and 16 in Table 1; as well as indicator 14 in Table 2 of Annex I of the RTS).

CaixaBank AM is committed to respecting the following instruments:

- The International Bill of Human Rights of the United Nations
- The International Labor Organization Declaration on Fundamental Principles and Rights at Work and the eight fundamental conventions identified by the same.
- The EU Charter of Fundamental Rights
- The Guiding Principles on Business and Human Rights of the United Nations.
- The OECD Guidelines for Multinational Enterprises;

Furthermore, CaixaBank AM is committed to the Advance initiative, which is promoted by the Principles for Responsible Investment (PRI) and aims to enhance the implementation of the United Nations Guiding Principles on Business and Human Rights through the collective influence of institutional investors.

5.3 Adherence to other sustainability initiatives

The subjects and commitments contained in these declarations relate to all the PAI indicators:

- Adhesion to the UN Global Compact.
- Adhesion to the UN Principles for Responsible Investment (PRI).

5.4 Use of a climate scenario

No forward-looking climate scenarios have been used in the management of the PAI indicators in the current year. Although the currently available ones have been assessed, the results they provide are considered unreliable and of insufficient quality for the time being, as they are still under development.

6. Historical comparison

The results of the PAI indicators provided for the 2023 financial year data are disclosed solely for comparative purposes and correspond to those contained in the "Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors"¹⁴ referring to the 2023 financial year.

This statement also includes data for 2022 for information purposes only, as shown in the 'Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors' for that financial year.

Please note that the results of some PAI indicators for 2024 are not comparable with those of the previous year for the following reasons:

- The calculation method for the indicator renders the data non-representative and non-comparable (PAI 4).
- Limited coverage and/or the quality of data provided by data providers (PAIs 5 – Production, 6, 8, 9 and 12).
- Change of methodology by the data provider (PAIs 7, 11 and 4 – additional climate indicator).
- Lastly, changes in the scope and the reporting boundary for measuring the indicators for PAI 16, because in the prior year, reporting only covered positions related to direct investments as of the end of 2023.

¹⁴ You can find the previous Statement at the following link: [Declaración-Principales-Incidencias-Adversas-CaixaBank-Participante-2023-ES.pdf](#)