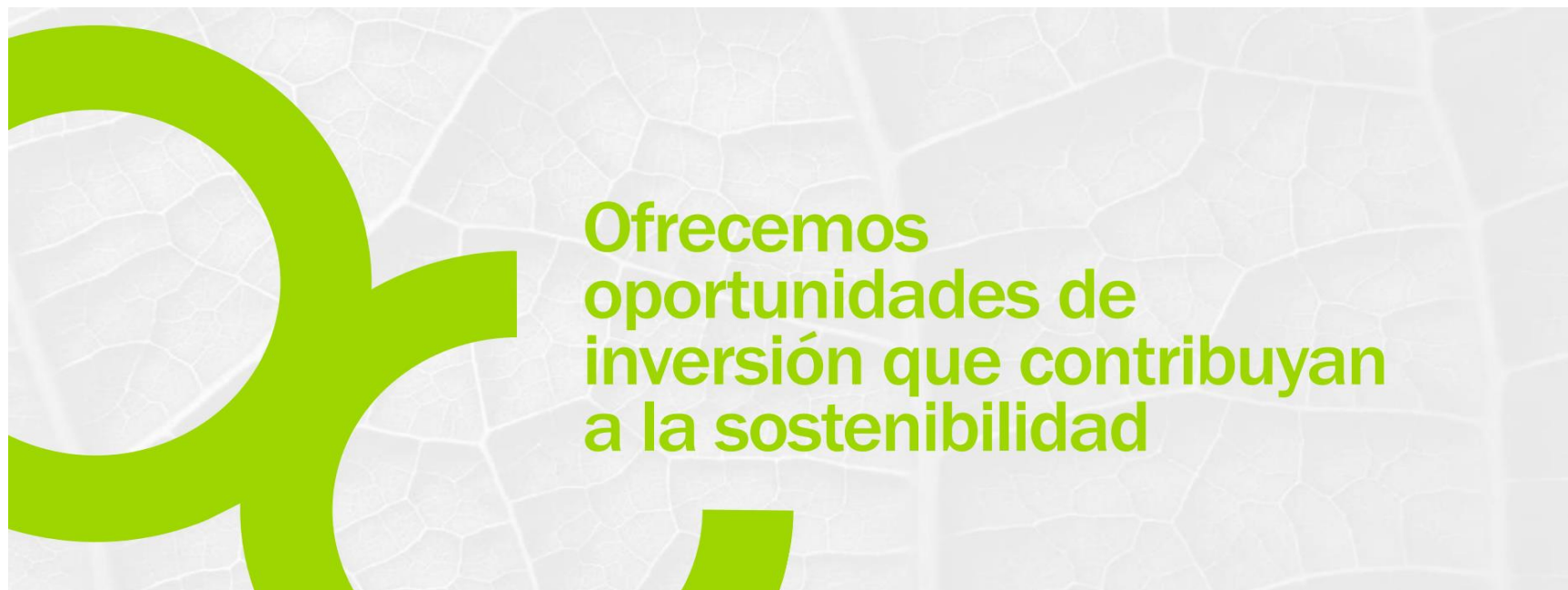


## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors



### Summary

Banco de Sabadell S.A. (hereinafter also referred to as Banco Sabadell or the Entity), with legal entity identifier (LEI)SI5RG2M0WQQLZCXKRM20 considers the principal adverse impacts of its investment decisions on sustainability factors ("PAIs") as a participant in products linked to the provision of the Discretionary Portfolio Management service. This service works in partnership with Urquijo Gestión, S.G.I.I.C., S.A.U. and Sabadell Asset Management, S.A., S.G.I.I.C., to whom it has delegated mandates for the various profiles offered by the Entity.

This document constitutes the consolidated report of Banco Sabadell's principal adverse impacts on sustainability factors from 1 January to 31 December 2024.

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Both Urquijo Gestión, S.G.I.I.C., S.A.U. and Sabadell Asset Management, S.A., S.G.I.I.C. have established organisational structures, minimum standards and exclusions within their global responsible investment policies so that their investments foster sustainability. Each collaborator's implemented policy can be consulted in the ESG Risk Integration Policy for Banco Sabadell's savings and investment products.

In the case of Urquijo Gestión, S.G.I.I.C., S.A.U., these are customised delegation mandates for clients, therefore, it is not possible to provide a breakdown of the different actions carried out on grounds of confidentiality. In the case of Sabadell Asset Management, S.A., S.G.I.I.C., whose mandates are reflected in different model portfolios, reference shall be made throughout the declaration to the different policies of this associate.

Sabadell Asset Management, S.A., S.G.I.I.C., as a responsible asset manager belonging to the Amundi Group, understands that its duty encompasses the need to contribute positively to addressing major socio-economic and environmental challenges in the interest of clients, investors and the company. It has therefore adopted the concept of "double materiality" around which it builds its ESG rating and analysis methodology. This means that they not only assess how ESG factors may materially affect the value of companies, but also evaluate the impact of companies on the environment, social issues or human rights. Sabadell Asset Management, S.A., S.G.I.I.C. considers PAIs through a combination of approaches that may vary according to asset class, investment process or strategy type and range of funds.

### Description of the principal adverse impacts (PAIs) on sustainability factors

The figures for the indicators presented in this statement reflect information for the 2024, 2023 and 2022 financial years. The calculation methodology has been modified for this year's indicators by using the average of a set of 12 observations (monthly closures). The coverage data for each indicator shows the percentage of instruments with published information on each PAI for the set of assets under management included in the invested portfolios. These percentages fluctuate between the various indicators. Indicators with coverage figures below 10% are deemed not to be representative of the investment as a whole, either because there is insufficient data available from companies or

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because the data lacks adequate quality (PAI 7, 8, 15, 17 and 18). Despite the improvements implemented during the 2024 financial year, some shortcomings remain due to the unavailability of complete data for 100% of the investee companies, as well as the presence of unreliable and/or improvable data. Furthermore, the EU's regulatory framework on sustainable finance is still undergoing a significant implementation process.

To obtain the data related to the various indicators presented in this statement, a detailed extraction of the positions included in the discretionary management portfolios was performed for the validation of the positions and the affected instruments. This process was carried out through the data provider "Bloomberg Professional Service" with a view to evaluating and calculating the PAIs, using the information provided by the investee companies and issuers in the assets under management.

The calculation of PAI 14 "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)" was carried out using the criteria set by the rating provider ESG BOOK (third-party Bloomberg for obtaining information for this PAI). For the calculation of PAI 16 "Investee countries subject to social infringements", the Entity has used internal sources to validate direct investment positions in countries subject to social infringements.

Banco Sabadell, as part of its commitment to improve PAI management, implements quarterly controls to monitor the various indicators, tracking any possible deviations in the indicators. This monitoring is reviewed and assessed internally and shared with the delegated portfolio management entities with a view to assessing the various indicators, as well as possible deviations and the positions with the greatest impact on each of the mandatory and optional PAIs.

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Indicators applicable to investments in investee companies						
Sustainability indicator in relation to adverse impacts	Parameter	Impact [2024]	Impact [2023]	Explanation	Measures taken, measures envisaged and targets set for the next reporting period	
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse Gas emissions (GHG)	1. GHG emissions (tCO <sub>2</sub> e)	GHG emissions from Scope 1	<b>61,670.22</b> <i>Coverage 58.81%</i>	123,338.67 <i>Coverage 60.01%</i>	Scope 1 GHG emissions are the volume of GHG emissions generated directly by the investee companies.	<p><b>Consideration of negative effects in sustainability</b></p> <p>Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and additional to those detailed in its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.</p>
		GHG emissions from Scope 2	<b>12,387.69</b> <i>Coverage 58.77%</i>	23,575.58 <i>Coverage 60.01%</i>	Scope 2 GHG emissions are the volume of GHG emissions indirectly generated by the activity of the investee companies (consumption of electricity or other energy sources)	
		GHG emissions from Scope 3	<b>559,783.82</b> <i>Coverage 54.47%</i>	476,813.78 <i>Coverage 57.41%</i>	Scope 3 GHG emissions are the volume of indirect GHG emissions generated in the value chain of investee companies and not under their control.	
		Total GHG emissions	<b>633,692.23</b> <i>Coverage 75.55%</i>	623,728.03 <i>Coverage 63.96%</i>	Total GHG emissions are the sum of the foregoing emissions.	
	2. Carbon footprint (tCO <sub>2</sub> e/ EVIC)	Carbon footprint	<b>473.69</b> <i>Coverage 75.55%</i>	612.65 <i>Coverage 63.96%</i>	The carbon footprint is the weighted average of the total GHG emissions	<p><b>Vote and commitment</b></p> <p>The Entity has delegated to other Group companies or third parties those functions that have to do with making investment</p>

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

	<i>in EUR millions)</i>				of investee companies divided by the value of the company expressed in millions of euros.	decisions with regard to assets that may carry associated voting rights at the relevant General Meeting of Shareholders.
	3. GHG intensity of investee companies <i>(tCO2e/ EUR sales in millions)</i>	GHG intensity of investee companies	<b>770.95</b> <i>Coverage 75.49%</i>	968.13 <i>Coverage 63.90%</i>	GHG intensity is the weighted average of the total GHG emissions generated by the investee companies divided by the company's sales measured in million euros.	However, the Entity has monitoring mechanisms to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, in order to protect the interests of its clients and the value of their investments.
	4. Exposure to companies active in the fossil fuel sector	Proportion of investments in companies active in the fossil fuel sector	<b>0.44%</b> <i>Coverage 74.45%</i>	0.79% <i>Coverage 63.76%</i>	<p>This indicator indicates the percentage of assets under management invested in companies that are active in the fossil fuel sector.</p> <p>Companies active in the fossil fuel sector are defined as those that derive revenue from (i) exploration, extraction, distribution or refining of hard coal and lignite; (ii) exploration, extraction, distribution (including transport, storage and marketing) or refining of liquid fossil fuels; and (iii) exploration and extraction of gaseous fossil fuels or their specific distribution</p>	<p><b>Measures taken</b></p> <p><b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it adds sustainable risk parameters to its investment decisions. These procedures shall apply generally to all assets listed on organised markets.</p> <p><i>Thermal Coal</i></p> <p>Urquijo Gestión excludes mining, utilities and transport</p>

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					(including transport, storage and marketing).	infrastructure companies with thermal coal projects as their core business.
	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 compared to renewable energy sources (proportion of all energy sources)	<b>8.81%</b> <i>Coverage 58.37%</i>	8.83% <i>Coverage 55.66%</i>	The indicator provides the weighted average of the percentages of non-renewable energy production and consumption of the investee companies.  Non-renewable energy sources are defined as those not classified as non-fossil renewable sources, such as wind energy, solar energy (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tidal energy, wave energy and other types of ocean energy, hydropower and energy derived from biomass, landfill gas, sewage treatment plant gas and biogas.	<i>Non-Conventional Fossil Fuel.</i>  Urquijo Gestión excludes companies whose core business is exposed to the exploration and production of unconventional oil and gas (covering shale oil, shale gas and oil sands)  <b>Sabadell Asset Management</b> , as a responsible asset manager belonging to the Amundi Group, it follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.
	6. Energy consumption intensity by sector with high climatic impact <i>(GWh / EUR revenue in millions)</i>	Energy consumption in GWh per million EUR revenue of investee companies, by high climatic impact sector	<b>0.27 GWh</b> <i>Coverage 45.31%</i>	0.65 GWh <i>Coverage 52.28%</i>	The indicator provides the sum of the weighted averages of exposure to high climate impact sectors, which include: (A) agriculture, livestock farming, forestry and fishing; (B) extractive industries; (C) manufacturing; (D)	<i>Thermal Coal</i>  Mining, utilities and transport infrastructure companies that are developing thermal coal projects with permit status and are in the construction phase. Companies with thermal coal projects in earlier stages of

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

					electricity, gas, steam and air conditioning supply; (E) water supply, sewerage, waste management and remediation activities; (F) construction; (G) wholesale and retail trade, repair of motor vehicles and motorbikes; (H) transport and storage, and; (L) real estate activities.	development, including announced, proposed and pre-permit status, are monitored annually.  With respect to mining, Amundi excludes:  Companies generating more than 20% of their revenue from thermal coal mining.  Companies with an annual thermal coal extraction of 70 MT or more, who have no intention of reducing this.
Biodiversity	7. Activities adversely affecting sensitive areas in terms of biodiversity	Proportion of investments in companies with headquarters or operations located in or near sensitive biodiversity areas where the activities of such companies adversely affect these areas	<b>25.23%</b> <i>Coverage 2.40%</i>	26.63% <i>Coverage 2.65%</i>	Activities that adversely affect biodiversity are considered to be those that involve the deterioration of natural habitats and habitats of species and that disturb the species for which protected areas were designated and for which none of the conclusions, mitigation measures or impact assessments adopted by competent EU bodies were applied in accordance with directives or national provisions equivalent to these directives.  Areas considered sensitive in terms of biodiversity include the	For companies considered too exposed to be able to phase out thermal coal at an adequate pace, Amundi excludes:  All companies deriving more than 50% of their revenue from thermal coal mining and thermal coal power generation;  All companies that derive between 20% and 50% of their revenue from thermal coal power generation and thermal coal mining, with a poor transition track record.  <i>Non-Conventional Fossil Fuel</i>  Amundi excludes companies whose business is exposed to the exploration and production of unconventional oil and gas (covering shale oil, shale gas and

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					Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas, as well as other protected areas listed in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139.	oil sands) for more than 30% of their revenue.  <b>Planned measures and objectives for the next financial year</b>  Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.
Water	8. Emissions to water (Tonnes of emissions to water / EUR invested in millions)	Tonnes of emissions to water generated by investee companies per million EUR invested (weighted average).	<b>1.25</b> <i>Coverage 1.68%</i>	15.23 <i>Coverage 2.62%</i>	The indicator provides the weighted average of tonnes of emissions to water of investee companies per million euros invested.  Emissions to water are defined as the direct emissions of priority substances 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.	
Waste	9. Ratio of hazardous waste and radioactive waste (Tonnes of hazardous and radioactive waste /	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR	<b>2.50</b> <i>Coverage 22.74%</i>	2.13 <i>Coverage 26.25%</i>	The indicator provides the weighted average of tonnes of hazardous and radioactive waste generated by investee companies per million	

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	<i>EUR invested in millions</i>	invested (weighted average)			euros invested. Hazardous waste is defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council; and radioactive waste is defined in Article 3(7) of Council Directive 2011/70/Euratom.	
<b>INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>						
Social and labour issues	10. Violations of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Proportion of investments in companies that have been linked to breaches of the United Nations Global Compact principles and the OECD Guidelines for Multinational Enterprises	<b>0.91%</b> <i>Coverage 67.29%</i>	0.65% <i>Coverage 60.94%</i>	The indicator provides the percentage of investee companies that have been linked to violations of the referenced international standards. These violations are not reported by the companies. A specialised data provider analyses events or activities carried out by the companies that may indicate violations of any principle or guideline within the referenced standards.	<b>Consideration of negative effects in sustainability</b> Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and additional to those detailed in its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.
	11. Lack of compliance processes and mechanisms to monitor	Proportion of investments in companies without policies to monitor compliance with the	<b>0.43%</b> <i>Coverage 67.40%</i>	0.54% <i>Coverage 60.95%</i>	The indicator provides the percentage of investee companies that do not have policies in	<b>Vote and commitment</b>

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	compliance with the United Nations Global Compact principles and the OECD Guidelines for Multinational Enterprises	principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises or without complaint or grievance handling mechanisms to address breaches of the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises			place for monitoring compliance with the referenced standards. The data provider considers non-compliance with this indicator when no public policy is available.	The Entity has delegated to other Group companies or third parties those functions that have to do with making investment decisions with regard to assets that may carry associated voting rights at the corresponding General Meeting of Shareholders. However, the Entity has monitoring mechanisms in place to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, with a view to protecting the interests of its clients and the value of their investments.
	12. Gender pay gap unadjusted	Unadjusted average gender pay gap of investee companies	<b>2.43%</b> <i>Coverage 13.29%</i>	3.78% <i>Coverage 12.46%</i>	The indicator provides the weighted average of the unadjusted pay gap of investee companies. The unadjusted pay gap is the difference	<p><b>Measures taken</b></p> <p><b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it adds sustainable risk parameters to its investment decisions. These procedures shall apply generally</p>
	13. Gender diversity of the board of directors	Ratio between the number of women on the board of directors and the total number of board members (men and women) of investee companies	<b>39.87%</b> <i>Coverage 67.88%</i>	36.52% <i>Coverage 59.65%</i>	between the average gross hourly earnings of male and female employees, expressed as a percentage of the average gross hourly earnings of male employees.  This indicator does not take into account segmentations by professional category,	

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					age, seniority or type of contract.	to all assets listed on organised markets.
	14.Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Proportion of investments in companies involved in the manufacture or sale of controversial weapons	<b>0.03%</b> <i>Coverage 67.29%</i>	0.07% <i>Coverage 60.93%</i>	<p>The indicator provides the percentage of assets under management that are invested in companies involved in the production or sale of controversial arms.</p> <p>The existing exposure is very low and is only due to indirect investment.</p>	<p><i>Controversial weapons.</i></p> <p>For the definition of controversial weapons, the Management Company applies the criteria established under the following international conventions:</p> <ul style="list-style-type: none"> <li>• Anti-personnel landmines: Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Landmines and on Their Destruction (1997).</li> <li>• Biological weapons: Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological and Toxin Weapons and on Their Destruction (1972).</li> <li>• Chemical weapons: Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (1993).</li> <li>• Fragmentation bombs: Convention on Cluster Munitions (2008).</li> <li>• Nuclear weapons: Treaty on the Non-Proliferation of Nuclear Weapons (1968)</li> </ul>

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						<p><i>Tobacco.</i></p> <p>This exclusion applies to companies whose main activity is the production of tobacco.</p> <p><b>Sabadell Asset Management</b>, as a responsible asset manager belonging to the Amundi Group, follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.</p> <p><i>Tobacco</i></p> <p>Companies manufacturing complete tobacco products (applicability threshold: revenues exceeding 5%), including cigarette manufacturers, as no product could be considered free from child labour.</p> <p><i>Depleted uranium weapons</i></p>
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						<p>Although not subject to an international treaty ban or restriction, depleted uranium is often regarded as a controversial weapon. Amundi excludes any issuers that are involved in producing, selling or stockpiling depleted uranium weapons. This policy applies to all actively managed strategies and passively managed ESG strategies where Amundi has full discretion.</p> <p><i>Nuclear weapons</i></p> <p>Amundi restricts investments in nuclear weapons companies involved in the production of core nuclear weapon components or specific parts</p> <p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and follow up compliance with the policies applied by the management companies and the impact thereof on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT</p>
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## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

						PRODUCTS OF BANCO DE SABADELL S.A.
Indicators applicable to investments in sovereign and supranational entities						
Sustainability indicator in relation to adverse impacts		Parameter	Impact [2024]	Impact [2023]	Explanation	Measures taken, measures envisaged and targets set for the next reporting period
Environmental criteria	15. GHG intensity (tCO <sub>2</sub> e/ billion EUR GDP)	GHG intensity of the countries receiving the investment	<b>0.02</b> <i>Coverage 8.82%</i>	0.03 <i>Coverage 9.44%</i>	The indicator provides the weighted average of GHG emissions intensity relative to the gross domestic product (GDP) of countries receiving investment.	<p><b>Consideration of negative effects in sustainability</b></p> <p>Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and additional to those detailed in its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.</p> <p><b>Vote and commitment</b></p> <p>The Entity has delegated to other Group companies or third parties those functions that have to do with making investment decisions with regard to assets</p>
Social criteria	16. Host countries of investment subject to social infringements	Number of host countries of investment subject to social infringements (absolute number and relative number, divided by all host countries of the investment) covered by international treaties and conventions, United Nations principles and, where applicable, national laws	<b>0</b> <i>Coverage 100%</i>	0 <i>Coverage 100%</i>	The indicator provides the number of countries receiving investment that are subject to social violations and the percentage of the total number of countries receiving investment. There are no direct investment positions in debt of countries subject to social infringements.	

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

						<p>that may carry associated voting rights at the relevant General Meeting of Shareholders. However, the Entity has monitoring mechanisms to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, with a view to protecting the interests of its clients and the value of their investments.</p> <p><b>Measures taken</b></p> <p><b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it adds sustainable risk parameters to its investment decisions. These procedures shall apply generally to all assets listed on organised markets.</p> <p><i>Sanctioned Issuers and Countries</i></p> <p>Urquijo Gestión excludes those issuers, whether countries or private issuers, from its investable universe that violate</p>
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## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

						<p>the social aspects covered by international treaties or applicable national regulations, and that are included on European Union (EU) or United States sanctions lists, systematically following the criteria established by Banco Sabadell in this regard.</p> <p><b>Sabadell Asset Management</b>, as a responsible asset manager belonging to the Amundi Group, follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.</p> <p><i>Sovereign Bonds</i></p> <p>Countries listed on the European Union (EU) sanctions list that are subject to asset freeze measures and have the highest level of sanction severity (based on both United States and EU sanctions) are excluded</p>
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## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

						<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>
<b>Indicators applicable to investment in property assets</b>						
<i>Sustainability indicator in relation to adverse impacts</i>		<i>Parameter</i>	<i>Impact [2024]</i>	<i>Impact [2023]</i>	<i>Explanation</i>	<i>Measures taken, measures envisaged and targets set for the next reporting period</i>
Fossil fuels	17. Exposure to fossil fuels through property assets	Proportion of investments in property assets related to the extraction, storage, transport or manufacture of fossil fuels	<p><b>0</b></p> <p><i>Coverage 0.37%</i></p>	<p>0</p> <p><i>Coverage 0.40%</i></p>	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and follow up compliance with the policies applied by the management companies and their impact on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>
Energy efficiency	18. Exposure to energy inefficient property assets	Percentage of investments in energy inefficient property assets	<p><b>0.28%</b></p> <p><i>Coverage 0.37%</i></p>	<p>0.02%</p> <p><i>Coverage 0.40%</i></p>		

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

The following have been selected as the optional indicators to be reported by the entity

Other indicators of the principal adverse impacts on sustainability factors					
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS					
<i>Sustainability indicator in relation to adverse impacts</i>	<i>Parameter</i>	<i>Impact [2024]</i>	<i>Impact [2023]</i>	<i>Explanation</i>	<i>Measures taken, measures envisaged and targets set for the next reporting period</i>
9. Investments in companies producing chemicals	Share of investments in enterprises whose activities fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	0.23%	0.31%	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>

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Other indicators of the principal adverse impacts on sustainability factors					
INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND BRIBERY					
Sustainability indicator in relation to adverse impacts	Parameter	Impact [2024]	Impact [2023]	Explanation	Measures taken, measures envisaged and targets set for the next reporting period
5. Absence of a mechanism for handling complaints or grievances related to labour issues	Proportion of investments in enterprises without a mechanism for handling complaints or grievances related to labour issues	0.19%	0%	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and follow up compliance with the policies applied by the management companies and their impact on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>

### Description of policies to identify and prioritise the principal adverse impacts on sustainability factors

*The objective of the ESG risk integration policy for savings and investment products of Banco Sabadell is to describe the integration of sustainability risks in the investment decision-making process and advice on savings and investment products of Banco de Sabadell, S.A., in compliance with the provisions of Regulation (EU) 2019/2088 and under the principles set out in the SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A., which has become part of the Entity's purpose and business strategy, incorporating initiatives derived from the transition to a sustainable economy and development.*

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*This regulation forms part of the actions developed by the European Commission's Sustainable Finance Action Plan with the aim of directing private capital flows towards sustainable investments, integrating sustainability into financial management and fostering transparency.*

*The ESG risk integration policy was approved by the Board of Directors in January 2021 and is reviewed annually. In April 2024, the Board of Directors approved its new Sustainability Policy, which aims to provide a framework for all of the Institution's activities within ESG parameters, which incorporate environmental, social and corporate governance factors in decision-making and, at the same time, based on those parameters, seeks to respond to the needs and concerns of all of its stakeholders. The Sustainability Policy sets out the basic principles on which the Banco Sabadell Group bases its approach to the challenges posed by sustainability, defines the parameters for managing them, as well as the organisation and governance structure necessary for their optimum implementation.*

*For the purposes of Banco Sabadell's ESG risk integration policy, the Governing Body, Board Committees and Internal Committees involved in the offering of products and the proportion of investment advisory services affected by Regulation (EU) 2019/2088, as well as a detail of the functions relating thereto, are set out below.*

- *Board of Directors: As the Bank's highest decision-making body, it is responsible for approving the Bank's general strategies. It is also responsible for the approval of the BANCO SABADELL ESG RISK INTEGRATION POLICY FOR SAVINGS AND INVESTMENT PRODUCTS.*

### *Board Committees:*

- *Strategy and Sustainability Committee: it is responsible, on sustainability matters, for reviewing the Entity's sustainability and environmental policies, and informing the Board of Directors on possible amendments and regular updates of the sustainability strategy. Similarly, it is responsible for overseeing the model for identifying, monitoring and managing sustainability risks and opportunities, including, where appropriate, environmental and climate change risks.*
- *Risk Committee: responsible for supervising and ensuring that all the Entity's risks are adequately assumed, controlled and managed.*
- *Audit and Control Committee: its objective is to oversee the effectiveness of the internal control of the company, the internal audit and the risk management systems. It ensures that the measures, policies and strategies defined by the Board of Directors are duly implemented on the scope of their functions.*

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- *Internal Committees: The Technical Product Committee is ultimately responsible for the design, approval and distribution process of banking products and, in accordance with the obligations set out in EU Regulation 2019/2088, for the ESG or sustainability risk integration process and is in charge of monitoring the policy, with the following functions:*
  - *Ratify the selection of products available in the various advisory services offered by the Bank.*
  - *Ratify the implementation and monitoring framework of the entity's ESG risk integration policy to ensure that the necessary actions are taken, including for those functions delegated to third parties, to protect customers' interests and the value of their investments from the adverse effects of ESG risks by including ESG risks in investment decision-making and product selection, consideration of major adverse events as well as mechanisms for long-term shareholder voting and engagement.*
  - *Monitor that information regarding this Policy is made available to consumers as required by the disclosure obligations of Regulation (EU) 2019/2088.*

As for our partner, Sabadell Asset Management, S.A., S.G.I.I.C., which is part of the Amundi group, it is worth noting that it has been involved in responsible investment since its creation in 2010. In 2018, it launched a 3-year plan to integrate ESG criteria into 100% of their open-ended and actively managed funds, and as of 8 December 2021, Amundi has drawn up a plan (Ambition Plan 2025) strengthening and strengthening its responsible investment mandate.

Among its policies, it is important to highlight the Global Responsible Investment Policy sets out how Amundi implements its commitment as a responsible investment manager in all its investments and operations. This policy outlines the fundamental principles and strategic direction of the Amundi Group, which is under the direct responsibility of its ESG Manager and the Strategic Climate Committee, which includes the Group's CEO as one of its members.

In 2023, Amundi implemented two new policies: the "Human Rights Policy" and the "Biodiversity and Ecosystem Services Policy", which were validated by the Strategic ESG and Climate Committee in 2023. These policies are integrated into the Global Responsible Investment Policy as part of Amundi's minimum standards and exclusion policy. They specifically outline Amundi's approach in monitoring companies identified as particularly exposed to high risks or exposed to potential risks that lack sufficient processes or disclosure. It highlights the process of exclusion of companies' highly severe cases, and for those facing controversies or specific risks, the process of engagement in place and the escalation process.

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Furthermore, the Global Responsible Investment Policy now details not only the sector exclusion thresholds (regarding thermal coal, non-conventional fossil fuels, tobacco and nuclear weapons), but also all the processes that are implemented (purpose and scope, engagement, ESG rating, related data used).

For the upcoming period, the focus shall be to continue to engage with issuers on specific themes that have a direct effect on PAIs.

Finally, it is important to note that Amundi's Global Voting Policy has been updated, introducing new criteria focused on executive remuneration, climate issues, social cohesion, board responsibility and diversity thereof

### *Data sources used for the calculation of the principal adverse impacts*

*Banco Sabadell uses a financial data provider to compile, analyse and publish the different indicators. Given the type of products produced by Banco Sabadell, Discretionary Portfolio Management, and the delegation of the management of these assets to third parties, the provider Bloomberg Professional has been chosen for their compilation and calculation. **Bloomberg Professional Service**, also known as **Terminal Bloomberg**, is a comprehensive platform designed for financial professionals, providing real-time access to market data, news, analysis, communication tools and trade execution capabilities*

## Engagement policies

As set out in the voting and involvement section of Banco Sabadell's ESG risk integration policy, which is reproduced below:

*Banco Sabadell has delegated functions to other Banco Sabadell Group companies or third parties that have to do with making investment decisions with regard to assets that may carry associated voting rights at the corresponding General Meeting of Shareholders. However, the Entity has monitoring mechanisms in place to ensure that those to whom the aforementioned functions have been delegated have voting and engagement policies that foster the creation of long-term value, risk management and good governance, as well as fostering, through dialogue and involvement with such companies, activity that respects ESG principles in order to safeguard the interests of its customers and the value of their investments.*

*Banco Sabadell, in compliance with Law 5/2021 of 12 April, amending the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed*

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*companies, and as a credit institution providing discretionary portfolio management services, will rely on the voting mechanisms and the exercise of political rights implemented by Sabadell Asset Management, S.A., S.G.I.I.C and Urquijo Gestión, S.G.I.I.C, S.U. as management companies to which Banco Sabadell has delegated the provision of this investment service to its customers.*

*In this way, Banco Sabadell indirectly exercises the attendance and voting rights of the listed securities that form part of the discretionary management portfolios that invest in these assets. Urquijo Gestión, S.G.I.I.C., S.A.U. diligently exercises its rights for the exclusive benefit and interest of Banco Sabadell's customers, taking into account the nature of each corporate motion submitted for the consideration of the corresponding general meetings of shareholders and on the basis of the information publicly available or that has been made available to the shareholders on the occasion of general meetings of shareholders. In any event, the decision as to the direction of the vote shall be taken with total independence and objectivity with respect to other entities of the Banco Sabadell Group.*

*In the case of Sabadell Asset Management, S.A., S.G.I.I.C, as a responsible asset manager belonging to the Amundi Group, it follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi's voting policy responds to a holistic analysis of all long-term issues that can influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy and Amundi's Voting Report.*

With regard to the entities to which the management of these assets is delegated, the policies of both entities are as follows

- *Sabadell Asset Management, S.A., S.G.I.I.C.,*
  - *Voting Policy (Voting Policy Amundi Group)*
- *Urquijo Gestión, S.G.I.I.C., S.U*
  - *Involvement and Engagement Policy of Urquijo Gestión S.A., S.G.I.I.C., S.A.U*

## References to international standards

In line with its commitment to sustainability, Banco Sabadell continues to forge alliances with other sectors and forms part of the most important international initiatives in the fight against climate change and in favour of social development, such as:

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- Signing, since 2005, the United Nations Global Compact corporate responsibility initiative and the ten principles in the areas of human rights, labour, environment and anti-corruption.
- Signing the Equator Principles in 2011, which incorporate social and environmental criteria in the funding of large-scale projects and corporate loans.
- Adherence to the United Nations Finance Initiative Principles, the first global framework that defines the role and responsibilities of the banking sector to ensure a sustainable future, strengthening alignment with the SDGs in relation to the Paris Agreement.
- The ratification of the Collective Commitment to Climate Action, which aims to reinforce the reduction of the carbon footprint in the balance sheet.
- Adherence to the Task Force on Climate-related Financial Disclosures (TCFD) for the disclosure of climate change-related risks and opportunities.
- Signing of the Carbon Disclosure Project (CDP) for action against climate change.
- In October 2021, the Bank joined the Net-Zero Banking Alliance (NZBA), an international alliance fostered by the United Nations Environment Programme Finance Initiative (UNEPFI), through which the Bank undertakes to make all its loan portfolios net zero in greenhouse gas emissions by 2050, in line with the objectives of the Paris Agreement.
- Joining the Partnership for Carbon Accounting in the Financial Sector (PCAF) in May 2022, with the aim of measuring and disclosing emissions from the lending and investment portfolio in a standardised way.

The ESG Sabadell Sustainable Commitment framework includes the global commitments subscribed to in sustainability and the transformation and promotion actions, both those carried out by the Banco Sabadell Group and those projected for the future, whose purpose is to accelerate the actions of ecological transition, the fight against climate change and social development, strengthening and responding in turn to the priority issues derived from materiality. This framework is aligned with the SDGs and focuses on those where it has the greatest capacity to influence due to its systemic interrelationship, type of activity and capacity for impact. In this regard, although Banco Sabadell's purpose also involves contributing to all the SDGs, it has prioritised the following:

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Energía asequible y no contaminante.



Trabajo decente y crecimiento económico.



Industria, innovación e infraestructura.



Acción por el clima.



Paz, justicia e instituciones sólidas.

### Historical comparison

The values reported in the adverse impact statement for the year 2024 have been included in the report, in accordance with the methodology set out in the section on the *Description of the Principal Adverse Impacts (PAI) on sustainability factors*. This calculation process has been applied to the 2024 indicators, and the indicators for 2023 have also been recalculated so the results from both reporting periods can be compared. For the 2022 financial year, the same action has not been taken due to a lack of information to reprocess the period. Instead, it has been decided to leave the indicators reported in the 2022 report unchanged.

However, following the review carried out with the data provider and partners, various lines of review have been initiated on the information already included in the control procedure established and approved with the managers and validating departments. Furthermore, 60% of the assets are concentrated in customised delegation mandates for clients, and this has an impact on the potential impact of planned actions in the management of adverse impacts. The degree of coverage represented by each indicator in the overall set of assets under delegated portfolio management has also been incorporated.

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With regard to the evolution of the indicators, Banco Sabadell will continue to actively review the various policies described with Sabadell Asset Management and Urquijo Gestión with a view to ensuring that they are in line with its responsible investment policies.

It is worth highlighting that with regard to the assets for which management is delegated to Sabadell Asset Management (Sabadell Portfolios), the migration to portfolios that foster environmental or social characteristics was completed in 2024 (Art. 8 of the SFDR Regulation).

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### Historical comparison of past reports

Indicators applicable to investments in investee companies						
Sustainability indicator in relation to adverse impacts	Parameter	Impact [2023]	Impact [2022]	Explanation	Measures taken, measures envisaged and targets set for the next reporting period	
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse Gas emissions (GHG)	1. GHG emissions (tCO <sub>2</sub> e)	GHG emissions from Scope 1	123,338.67 <i>Coverage 60.01%</i>	18,650.71	Scope 1 GHG emissions are the volume of GHG emissions generated directly by the investee companies.	<p><b>Consideration of negative effects in sustainability</b></p> <p>Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and additional to those detailed in its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.</p> <p><b>Vote and commitment</b></p>
		GHG emissions from Scope 2	23,575.58 <i>Coverage 60.01%</i>	8,090.66	Scope 2 GHG emissions are the volume of GHG emissions indirectly generated by the activity of the investee companies (consumption of electricity or other energy sources)	
		GHG emissions from Scope 3	476,813.78 <i>Coverage 57.41%</i>	1,333,942.08	Scope 3 GHG emissions are the volume of indirect GHG emissions generated in the value chain of investee companies and not under their control.	
		Total GHG emissions	623,728.03 <i>Coverage 63.96%</i>	1,361,323.38	Total GHG emissions are the sum of the above emissions.	

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	2. Carbon footprint (tCO <sub>2</sub> e/ EUR sales in EUR millions)	Carbon footprint	612.65 <i>Coverage 63.96%</i>	347.15	The carbon footprint is the weighted average of the total GHG emissions of investee companies divided by the value of the company expressed in millions of euros.	The Entity has delegated to other Group companies or third parties those functions that have to do with making investment decisions with regard to assets that may carry associated voting rights at the corresponding General Meeting of Shareholders. However, the Entity has monitoring mechanisms to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, in order to protect the interests of its clients and the value of their investments.  <b>Measures taken</b>  <b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it adds sustainable risk parameters to its investment decisions. These procedures shall apply generally to all
	3. GHG intensity of investee companies (tCO <sub>2</sub> e/ EUR sales in millions)	GHG intensity of investee companies	968.13 <i>Coverage 63.90%</i>	532.35	GHG intensity is the weighted average of the total GHG emissions generated by the investee companies divided by the company's sales measured in million euros.	
	4. Exposure to companies active in the fossil fuel sector	Proportion of investments in companies active in the fossil fuel sector	0.79% <i>Coverage 63.76%</i>	60%	This indicator indicates the percentage of assets under management invested in companies that are active in the fossil fuel sector.  Companies active in the fossil fuel sector are defined as those that derive revenue from (i) exploration, extraction, distribution or refining of hard coal and lignite; (ii) exploration, extraction, distribution (including transport, storage and marketing) or refining of liquid fossil fuels; and (iii) exploration and	

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

					extraction of gaseous fossil fuels or their specific distribution (including transport, storage and marketing).	assets listed on organised markets. <i>Thermal Coal</i>
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 compared to renewable energy sources (proportion of all energy sources)	8.83% <i>Coverage 55.66%</i>	47.14%	The indicator provides the weighted average of the percentages of non-renewable energy production and consumption of the investee companies.  Non-renewable energy sources are defined as those not classified as non-fossil renewable sources, such as wind energy, solar energy (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tidal energy, wave energy and other types of ocean energy, hydropower and energy derived from biomass, landfill gas, sewage treatment plant gas and biogas.	Urquijo Gestión excludes mining, utilities and transport infrastructure companies with thermal coal projects as their core business.  <i>Non-Conventional Fossil Fuel.</i>  Urquijo Gestión excludes companies whose core business is exposed to the exploration and production of unconventional oil and gas (covering shale oil, shale gas and oil sands)	
6. Energy consumption intensity by sector with high climatic impact ( <i>GWh / EUR revenue</i> )	Energy consumption in GWh per million EUR revenue of investee companies, by high climatic impact sector	0.65 GWh <i>Coverage 52.28%</i>	86.78 GWh	The indicator provides the sum of the weighted averages of exposure to high climate impact sectors, which include: (A) agriculture, livestock farming,	<b>Sabadell Asset Management</b> , as a responsible asset manager belonging to the Amundi Group, follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.	

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	<i>In millions)</i>				forestry and fishing; (B) extractive industries; (C) manufacturing; (D) electricity, gas, steam and air conditioning supply; (E) water supply, sewerage, waste management and remediation activities; (F) construction; (G) wholesale and retail trade, repair of motor vehicles and motorbikes; (H) transport and storage, and; (L) real estate activities.	<p><i>Thermal Coal</i></p> <p>Mining, utilities and transport infrastructure companies that are developing thermal coal projects with permit status and are in the construction phase. Companies with thermal coal projects in earlier stages of development, including announced, proposed and pre-permit status, are monitored annually.</p> <p>With respect to mining, Amundi excludes:</p> <p>Companies generating more than 20% of their revenue from thermal coal mining.</p> <p>Companies with an annual thermal coal extraction of 70 MT or more, who have no intention of reducing this.</p> <p>For companies considered too exposed to be able to phase out thermal coal at an adequate pace, Amundi excludes:</p> <p>All companies deriving more than 50% of their revenue from thermal coal mining and thermal coal power generation;</p> <p>All companies that derive between 20% and 50% of their revenue from thermal coal power generation and thermal</p>
Biodiversity	7. Activities adversely affecting sensitive areas in terms of biodiversity	Proportion of investments in companies with headquarters or operations located in or near sensitive biodiversity areas where the activities of such companies adversely affect these areas	26.63% <i>Coverage 2.65%</i>	12.69%	Activities that adversely affect biodiversity are considered to be those that involve the deterioration of natural habitats and habitats of species and that disturb the species for which protected areas were designated and for which none of the conclusions, mitigation measures or impact assessments adopted by competent EU bodies were applied in accordance with directives or national provisions equivalent to these directives.	

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					Areas considered sensitive 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 listed in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139.	coal mining, with a poor transition track record. <i>Non-Conventional Fossil Fuel</i> Amundi excludes companies whose business is exposed to the exploration and production of unconventional oil and gas (covering shale oil, shale gas and oil sands) for more than 30% of their revenue.
Water	8. Emissions to water <i>(Tonnes of emissions to water / EUR invested in millions)</i>	Tonnes of emissions to water generated by investee companies per million EUR invested (weighted average).	15.23 <i>Coverage 2.62%</i>	88.82	The indicator provides the weighted average of tonnes of emissions to water of investee companies per million euros invested.  Emissions to water are defined as the direct emissions of priority substances 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.	<b>Planned measures and objectives for the next financial year</b>  Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.
Waste	9. Ratio of hazardous waste and radioactive waste	Tonnes of hazardous waste and radioactive waste generated by	2.13 <i>Coverage 26.25%</i>	1.6	The indicator provides the weighted average of tonnes of hazardous	

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	<i>(Tonnes of hazardous and radioactive waste / EUR invested in millions)</i>	investee companies per million EUR invested (weighted average)			and radioactive waste generated by investee companies per million euros invested. Hazardous waste is defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council; and radioactive waste is defined in Article 3(7) of Council Directive 2011/70/Euratom.	
<b>INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>						
Social and labour issues	10. Violations of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Proportion of investments in companies that have been linked to breaches of the United Nations Global Compact principles and the OECD Guidelines for Multinational Enterprises	0.65% <i>Coverage 60.94%</i>	0	The indicator provides the percentage of investee companies that have been linked to violations of the referenced international standards. These violations are not reported by the companies. A specialised data provider analyses events or activities carried out by the companies that may indicate violations of any principle or guideline within the referenced standards.	<b>Consideration of negative effects in sustainability</b> Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and

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	<p>11. Lack of compliance processes and mechanisms to monitor compliance with the United Nations Global Compact principles and the OECD Guidelines for Multinational Enterprises</p>	<p>Proportion of investments in companies without policies to monitor compliance with the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises or without complaint or grievance handling mechanisms to address breaches of the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises</p>	<p>0.54% <i>Coverage 60.95%</i></p>	<p>48%</p>	<p>The indicator provides the percentage of investee companies that do not have policies in place for monitoring compliance with the referenced standards. The data provider considers non-compliance with this indicator when no public policy is available.</p>	<p>additional to those detailed in its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.</p> <p><b>Vote and commitment</b></p> <p>The Entity has delegated to other Group companies or third parties those functions that have to do with making investment decisions with regard to assets that may carry associated voting rights at the relevant General Meeting of Shareholders. However, the Entity has monitoring mechanisms to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, in order to protect the interests of its clients and the value of their investments.</p>
	<p>12. Gender pay gap unadjusted</p>	<p>Unadjusted average gender pay gap of investee companies</p>	<p>3.78% <i>Coverage 12.46%</i></p>	<p>63%</p>	<p>The indicator provides the weighted average of the unadjusted pay gap of investee companies. The unadjusted pay gap is the difference</p>	
	<p>13. Gender diversity of the board of directors</p>	<p>Ratio between the number of women on the board of directors and the total number of board members (men and women) of investee companies</p>	<p>36.52% <i>Coverage 59.65%</i></p>	<p>40.3%</p>	<p>between the average gross hourly earnings of male and female employees, expressed as a percentage of the average gross hourly earnings of male employees.</p>	<p><b>Measures taken</b></p>

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					<p>This indicator does not take into account segmentations by professional category, age, seniority or type of contract.</p>	<p><b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it adds sustainable risk parameters to its investment decisions. These procedures shall apply generally to all assets listed on organised markets.</p>
	<p>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)</p>	<p>Proportion of investments in companies involved in the manufacture or sale of controversial weapons</p>	<p>0.07% <i>Coverage 60.93%</i></p>	<p>0</p>	<p>The indicator provides the percentage of assets under management that are invested in companies involved in the production or sale of controversial arms.</p> <p>The existing exposure is very low and is only due to indirect investment.</p>	<p><i>Controversial weapons.</i></p> <p>For the definition of controversial weapons, the Management Company applies the criteria established under the following international conventions:</p> <ul style="list-style-type: none"> <li>- Anti-personnel mines: Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (1997).</li> <li>- Biological weapons: Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological and Toxin Weapons and on Their Destruction (1972).</li> <li>- Chemical weapons: Convention on the Prohibition of the Development, Production, Stockpiling and</li> </ul>

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						<p>Use of Chemical Weapons and on Their Destruction (1993).</p> <ul style="list-style-type: none"> <li>- Fragmentation bombs: Convention on Cluster Munitions (2008).</li> <li>- Nuclear weapons: Treaty on the Non-Proliferation of Nuclear Weapons (1968)</li> </ul> <p><i>Tobacco.</i></p> <p>This exclusion applies to companies whose main activity is the production of tobacco.</p> <p><b>Sabadell Asset Management</b>, as a responsible asset manager belonging to the Amundi Group, follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.</p> <p><i>Tobacco</i></p>
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						<p>Companies manufacturing complete tobacco products (applicability threshold: revenues exceeding 5%), including cigarette manufacturers, as no product could be considered free from child labour.</p> <p><i>Depleted uranium weapons</i></p> <p>Although not subject to an international treaty ban or restriction, depleted uranium is often regarded as a controversial weapon. Amundi excludes any issuers that are involved in producing, selling or stockpiling depleted uranium weapons. This policy applies to all actively managed strategies and passively managed ESG strategies where Amundi has full discretion.</p> <p><i>Nuclear weapons</i></p> <p>Amundi restricts investments in nuclear weapons companies involved in the production of core nuclear weapon components or specific parts</p> <p><b>Planned measures and objectives for the next financial year</b></p>
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						Monitor and follow up compliance with the policies applied by the management companies and their impact on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.
Indicators applicable to investments in sovereign and supranational entities						
Sustainability indicator in relation to adverse impacts		Parameter	Impact [2023]	Impact [2022]	Explanation	Measures taken, measures envisaged and targets set for the next reporting period
Environmental criteria	15. GHG intensity (tCO <sub>2</sub> e/ billion EUR GDP)	GHG intensity of the countries receiving the investment	0.03 <i>Coverage 9.44%</i>	0	The indicator provides the weighted average of GHG emissions intensity relative to the gross domestic product (GDP) of countries receiving investment.	<b>Consideration of negative effects in sustainability</b>  Taking into account the nature and scale of the activities carried out by the Entity, as well as the robustness of the procedures for integrating sustainability risks into investment decisions and the selection of products offered under the advisory regime, the Entity declares compliance with the consideration of adverse sustainability incidents, aligned with the Sustainable Development Goals defined by the United Nations, some of which the Entity has identified as priorities and additional to those detailed in
Social criteria	16. Host countries of investment subject to social infringements	Number of host countries of investment subject to social infringements (absolute number and relative number, divided by all host countries of the investment) covered by international treaties and	0 <i>Coverage 100%</i>	0	The indicator provides the number of countries receiving investment that are subject to social violations and the percentage of the total number of countries receiving investment. There are no direct investment positions in debt of countries subject to social infringements.	

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

		<p>conventions, United Nations principles and, where applicable, national laws</p>			<p>its SUSTAINABILITY POLICY OF BANCO DE SABADELL, S.A.</p> <p><b>Vote and commitment</b></p> <p>The Entity has delegated to other Group companies or third parties those functions that have to do with making investment decisions with regard to assets that may carry associated voting rights at the relevant General Meeting of Shareholders. However, the Entity has monitoring mechanisms to ensure that those to whom the previously mentioned functions have been delegated have voting and involvement policies that foster long-term value creation, risk management and good governance, as well as foster ESG-friendly activity through dialogue and involvement with the different companies, in order to protect the interests of its clients and the value of their investments.</p> <p><b>Measures taken</b></p> <p><b>Urquijo Gestión</b> has developed a specific procedure where, in addition to the traditional financial analysis, it</p>
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## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

					<p>adds sustainable risk parameters to its investment decisions. These procedures shall apply generally to all assets listed on organised markets.</p> <p><i>Sanctioned Issuers and Countries</i></p> <p>Urquijo Gestión excludes those issuers, whether countries or private issuers, from its investable universe that violate the social aspects covered by international treaties or applicable national regulations, and that are included on European Union (EU) or United States sanctions lists, systematically following the criteria established by Banco Sabadell in this regard.</p> <p><b>Sabadell Asset Management</b>, as a responsible asset manager belonging to the Amundi Group, it follows the voting policy of the said group for the Amundi Group funds that form part of the portfolio management. Amundi has established Minimum Standards and exclusion policies on critical sustainability issues, triggering specific monitoring and escalation procedures when</p>
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## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

						<p>non-compliances are identified, which may lead to engagement, targeted voting actions (where appropriate) or exclusion.</p> <p><i>Sovereign Bonds</i></p> <p>Countries listed on the European Union (EU) sanctions list that are subject to asset freeze measures and have the highest level of sanction severity (based on both United States and EU sanctions) are excluded</p> <p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>
<b>Indicators applicable to investment in property assets</b>						
<i>Sustainability indicator in relation to adverse impacts</i>	<i>Parameter</i>	<i>Impact [2023]</i>	<i>Impact [2022]</i>	<i>Explanation</i>	<i>Measures taken, measures envisaged and targets set for the next reporting period</i>	

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

Fossil fuels	17. Exposure to fossil fuels through property assets	Proportion of investments in property assets related to the extraction, storage, transport or manufacture of fossil fuels	0 <i>Coverage 0.40%</i>	N/A	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<b>Planned measures and objectives for the next financial year</b>  Monitor and follow up compliance with the policies applied by the management companies and their impact on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.
Energy efficiency	18. Exposure to energy inefficient property assets	Percentage of investments in energy inefficient property assets	0.02% <i>Coverage 0.40%</i>	N/A		

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

The following have been selected as the optional indicators to be reported by the entity

Other indicators of the principal adverse impacts on sustainability factors					
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS					
<i>Sustainability indicator in relation to adverse impacts</i>	<i>Parameter</i>	<i>Impact [2023]</i>	<i>Impact [2022]</i>	<i>Explanation</i>	<i>Measures taken, measures envisaged and targets set for the next reporting period</i>
9. Investments in companies producing chemicals	Share of investments in enterprises whose activities fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	0.31%	N/A	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and track compliance with the policies applied by the management companies and their impact on each of the PAIs, as set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS INTO SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>

## Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors

Other indicators of the principal adverse impacts on sustainability factors					
INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND BRIBERY					
<i>Sustainability indicator in relation to adverse impacts</i>	<i>Parameter</i>	<i>Impact [2023]</i>	<i>Impact [2022]</i>	<i>Explanation</i>	<i>Measures taken, measures envisaged and targets set for the next reporting period</i>
5. Absence of a mechanism for handling complaints or grievances related to labour issues	Proportion of investments in enterprises without a mechanism for handling complaints or grievances related to labour issues	0%	0%	The figure reflects the percentage of assets under management that are invested in companies in which the portfolios under discretionary management (delegated to the Management Entities) invest indirectly (through CIS managed by the Management Entity or by third-party managers).	<p><b>Planned measures and objectives for the next financial year</b></p> <p>Monitor and follow up compliance with the policies applied by the management companies and their impact on each of the PAIs, as well as the control of deviations set out in the document PROCEDURE FOR THE INTEGRATION OF ESG RISKS IN SAVINGS AND INVESTMENT PRODUCTS OF BANCO DE SABADELL S.A.</p>