

# Policy for open dialogue with issuers

*CAIXABANK ASSET MANAGEMENT SGIIC, S.A.U.*

December 2020





# Policy for open dialogue with issuers

## *Contents*

1. Introduction	1
2. <b>Subject Matter</b>	2
3. Regulatory Framework	3
4. General Principles	4
5. Specific Criteria	5
6. Bodies	6
7. Publication	7
8. Updating	8



# 1 Introduction

CaixaBank Asset Management SGIC, S.A.U. ("CaixaBank AM" or the "Management Company"), in its commitment to move towards a sustainable economy in which long-term profitability is combined with social justice and environmental protection, establishes in this Open Dialogue Policy the possibility of a long-term involvement with the issuers of securities in which it invests.

As an example of this commitment, the Management Company will promote constructive dialogue on relevant environmental, social and corporate governance (ESG) issues, contributing to the promotion of best policies and practices and improving the financial and non-financial performance of said issuers.



# 2 Subject Matter

This policy establishes the framework that enables the Management Company to fulfil its duties, committing itself through dialogue with issuers on material or controversial issues relating to ESG factors.

Before initiating the dialogue with an issuer that has been identified, CaixaBank AM will evaluate the relevance of these ESG factors for the issuer. In the development of their activities, companies and states change their environment and are sometimes faced with contradictory interests. These are the circumstances that can give rise to controversies of varying seriousness, and ultimately to the possibility of ruling out investing in an issuer in extreme cases. The Management Company will, where possible, encourage issuers to improve their practices and policies, enabling investment in assets that contribute to a sustainable development and future.

## 3

# Regulatory Framework

This policy has been drawn up in accordance with applicable provisions, particularly:

- i. Law 11/2018 of 28 December amending the Commercial Code, the restated text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010 of 2 July and Law 22/2015 of 20 July on the Auditing of Accounts, concerning matters of non-financial information and diversity.
- ii. Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.
- iii. Law 35/2003 of 4 November on Collective Investment Schemes (CIS).
- iv. Royal Decree 1082/2012, of 13 July, approving the Regulations of the LIIC (RIIC)

The Management Company has mandatory internal Policies, among which the Code of Business Conduct and Ethics, the Corporate Social Responsibility Policy and the Human Rights Policy, which include basic principles of action for the exercise of its activity. These policies, some of them with a corporate scope, are implemented, if applicable, by their corresponding standards and/or procedures.

Aquestes polítiques reflecteixen el compromís de dur a terme la seva activitat en el compliment estricte de la normativa aplicable i d'acord amb els estàndards ètics i de conducta professional més elevats.

These Policies reflect its commitment to carry out its activity in strict compliance with the applicable regulations and in accordance with the highest standards of ethical and professional conduct.

In this regard, CaixaBank AM recognises the following initiatives, conventions and institutions:

- The United Nations International Charter of Human Rights.
- The United Nations Global Compact.
- The United Nations Guiding Principles on Business and Human Rights.
- The Principles for Responsible Investment (PRI).
- The United Nations Sustainable Development Goals (SDGs).

## 4 General Principles

CaixaBank AM carries out its commitment or dialogue activities with issuers of listed securities on environmental, social and governance (ESG) issues. Through the Management Company and accompanying the CaixaBank Group's approach, it sees sustainability as a long-term driver of change in the markets, countries and companies that affects future performance and that ultimately improves the investment process for our customers.

Based on this insight, we believe that applying ESG principles in our investment process creates value for all parties. Companies and states that have better sustainability and governance policies are more likely to act in the best interests of all their stakeholders, and are better positioned to address a wide range of issues, such as non-financial risks and regulatory changes.

Regarding all these issues, we at the Management Company believe that a constructive dialogue can improve behaviour in terms of environmental and social factors, as well as improve risk management or corporate governance. At the same time, opportunities can be identified and companies and states will be better prepared to address long-term trends such as climate change.

## 5 Specific Criteria

In general terms, CaixaBank AM is opposed to investing in companies or States where practices are carried out that violate international treaties such as the United Nations Global Compact to which the Management Company is a signatory. In addition, the Management Company expresses its intention not to invest in those financial assets which, although they comply with the internal criteria established in the Management Company's investment framework, are excluded due to the existence of some of the circumstances provided for in the SRI procedure. The integration of environmental, social and good governance aspects in the investment analysis and management processes is compatible with the establishment of exclusion criteria for certain assets.

If an issuer does not comply with the requirements of the SRI Policy, CaixaBank AM will take action for the purposes of compliance within the shortest possible time compatible with economically reasonable management. In this sense, CaixaBank AM will promote an open dialogue with issuers, in each case adopting the appropriate method established in the Open Dialogue Procedure, aimed at adopting measures to modify controversial practices or activities. It may eventually divest in the event of the incompatibility of the issuer's activities with the provisions of this policy.



## 6 Bodies

The Board of Directors will be responsible for approving the Policy for Open Dialogue with Issuers. Any amendment and/or update to the Policy will be approved by the Management Committee and ratified by the Board of Directors.



## 7 Publication

This policy will be published on the Management Company's website.



## 8 Update

This Policy will be reviewed annually and as necessary to adapt its governance to current regulatory requirements and applicable sector recommendations.

Simple typographical or linguistic modifications will be approved by the Management Committee to ensure the adoption of corrective measures with the necessary responsiveness.