

Product names:

MIRALTA SEQUOIA, FI
MIRALTA NARVAL, FI

Legal entity identifier:

959800C0SR9KVMCP5V79
9598005TNGL4FJZGXC78

Information related to financial products that promote environmental or social characteristics - Article 8

INDEX:

1. SUMMARY
2. NO SUSTAINABLE INVESTMENT OBJECTIVE
3. ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT
4. INVESTMENT STRATEGY
5. PROPORTION OF INVESTMENTS
6. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS
7. METHODS
8. SOURCES AND TREATMENT OF DATA
9. LIMITATIONS OF METHODS AND DATA
10. DUE DILIGENCE
11. ENGAGEMENT POLICIES
12. REFERENCE BENCHMARKS

1. SUMMARY

This financial product promotes environmental or social characteristics under Art. 8 of Regulation EU 2019/2088 but does not aim for sustainable investment.

This financial product does not plan to make sustainable investments, although it incorporates non-financial criteria to analyze whether its investments have a positive impact on several underlying goals of the Sustainable Development Goals (SDGs) outlined in the 2030 Agenda, adopted in 2015 by the United Nations General Assembly. Through these goals, the product seeks to foster the SDGs. It will also assess whether any of its investments individually harm any of these goals, taking into account the principal adverse impacts (PAIs) that issuers of the maintained or prospective portfolio positions may incur, as well as specific exclusions and other evaluative criteria that will ensure the investments made by the product are aligned with its sustainable ideology. Its investment strategy from an ESG perspective will, therefore, consist of investing in assets that enable compliance with this ESG ideology.

Miraltabank has its own methodology for ESG evaluation, which, combined with external data providers, enables it to obtain a comprehensive view of the risks and opportunities to which different assets subject to selection as potential investments are exposed. It aims to identify those considered best prepared for the challenge of achieving the Sustainable Development Goals, with the optimal policies and systems to achieve the desired positive impact on both society and the environment, allowing the product to anticipate associated risks. When determining the assets to invest in, the sustainability ideology will be considered, in line with the following criteria applied to the investment decision-making process for all investments:

1. Exclusion criteria (applying to at least 70% of the portfolio positions):

First, as the primary basic exclusion criterion, any country (as well as companies from these countries) sanctioned for violating international regulations (EU Sanctions or the United Nations Security Council Consolidated List) or included by the Financial Action Task Force in its list of high-risk jurisdictions (FATF list) as territories with significant deficiencies in anti-money laundering or counter-terrorism financing measures will be excluded from the investment universe.

Second, to complete the exclusion analysis, and applied to corporations, exclusions will be made based on the nature of the business they conduct or additional risks detected in the analyzed processes. As a general rule, all issuers whose primary source of income comes, in the indicated percentages of their revenues, from the following areas will be excluded:

- The arms sector (in cases of the manufacture or commercialization of controversial weapons) when more than 5% of their revenues come from any of their individual segments.
- Companies involved in the manufacture and sale of tobacco when more than 20% of their revenues come from any of their segments.
- Corporations whose main business area comes from adult gaming (maximum threshold of 5% of revenues) or gambling (maximum 20% of revenues).

2. Evaluative criteria (applicable to at least 51% of the portfolio positions):

As an evaluation methodology, using publicly available information from specialized organizations' websites, or information from United Nations-affiliated agencies, public information available on the company's own website or from the regulator, and primarily through specialized third-party applications (such as Clarity or Bloomberg), the company's performance in some of the Sustainable Development Goals (SDGs) established in 2015 by the United Nations General Assembly will be analyzed as the main criterion to assess whether companies are actively seeking to contribute to these goals, and to what extent they are doing so. Several of the underlying goals, configured as 'sub-goals,' of the SDGs will be taken into account for this analysis.

To complete this evaluation methodology, based on information provided by various data providers for calculating principal adverse impacts, the individual performance of any potential investment will be assessed in various relevant areas related to these goals. The aim is to evaluate whether any significant harm is done to any of the sustainability goals analyzed. In such a case, the matter will be communicated to the decision-making bodies to assess its suitability or potential exclusion, thereby channeling investments toward assets that avoid poor conduct related to sustainability. This seeks to link the disclosure of principal adverse impacts of investment decisions on sustainability factors with avoiding significant harm to any of the goals analyzed.

The goal is to reach at least a minimum of 70% of investments in assets that meet exclusion criteria and 51% in those that meet evaluation criteria.

The control mechanisms are internal and will be based on monitoring the investment universe and staying within established limits. At least quarterly, a report will be created and reviewed by the investment committee to verify whether the portfolio, in aggregate, complies with the established criteria. The report will aim to highlight the strengths and weaknesses observed in various portfolio positions to set future directions and reconsider the exclusion of any asset within the vehicle at any given time if it exceeds established limits.

The data sources used to achieve each of the environmental or social characteristics promoted by the financial product may include the FATF list (Financial Action Task Force's list of high-risk jurisdictions), information from United Nations-affiliated agencies such as the UN Global Compact, Sustainable Development Goal compliance statistics by country from the University of Cambridge, private third-party data from providers like Clarity or Bloomberg, or public data from various issuers, which can be found as public information on the company's or regulator's website (in their annual accounts or sustainability reports).

The main limitation we encounter in our methodology stems from the aforementioned data sources (lack of published data by the companies themselves, or infrequent updates on their part), often making it difficult to find relevant non-financial information for all types of financial products within the portfolio.

Regarding the due diligence measures adopted for the financial product's underlying assets, the entity considers sustainability risks and opportunities alongside other financial risks and variables of the assets, managed through the aforementioned methodology. This involves a large part of the entity's hierarchy, particularly the highest decision-making bodies, to establish and oversee the application of due diligence and integrate it into the group's strategy.

As for the engagement policy, actions will be taken—whether through exercising voting rights at general shareholders' meetings or corporate events, or through engagement or collaborative actions—when the asset type and ownership percentage allow, to take relevant actions aligned with the sustainable characteristics of the vehicles. Without prejudice to acting with lower ownership percentages, a minimum of 1% shareholding is established as the threshold from which this engagement will be exercised by default.

No reference index has been designated for the attainment of the environmental or social characteristics of this financial product.

2. NO SUSTAINABLE INVESTMENT OBJECTIVE

This financial product promotes environmental or social characteristics but does not aim for sustainable investment. Furthermore, it does not establish a minimum percentage of its investments to be allocated to sustainable investments, nor does it analyze their weight, without prejudice to the fact that it may regularly maintain a portion of its investment in such considered investments.

Regardless, efforts will be made to ensure that investments aligned with environmental or social characteristics do not cause significant harm to any of the sustainable development goals pursued in its sustainable ideology. For this purpose, both their contribution to the advocated sustainable development goals and some of the principal adverse impacts selected in relation to those goals will be considered.

Information related to the principal adverse impacts on sustainability factors, even when not subject to obligation, will be included in the periodic sustainability reporting.

Similarly, the compliance of issuers with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set forth in the eight core conventions referred to in the Declaration of the International Labour Organization, will be analyzed.

Any controversy in this regard for any portfolio position will be communicated to the management bodies in order to make the appropriate decisions.

3. ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

The Fund will primarily invest in companies that demonstrate prudent management in relation to sustainability, taking into account their performance compared to their peers in environmental, social, or corporate governance aspects. These companies, in addition to passing exclusions based on their origin and the nature of their business, among other factors, must score above 70 out of 100 points in our sustainability information provider's application, Clarity AI, in at least two out of ten selected targets. These targets are included within seven of the United Nations Sustainable Development Goals (SDGs), chosen from among the 17 SDGs as representative of the environmental or social characteristics the Fund aims to contribute to, also analyzing potential harm to any of the other goals based on the measurement of principal adverse impacts.

Among the environmental or social characteristics promoted by this product are ensuring full participation of women and guaranteeing equal opportunities, improving production and promoting efficient and respectful consumption, fostering the modernization of infrastructure and clean technologies, reducing income inequality by seeking growth in lower wages, reducing the environmental impact in cities, achieving efficient use of natural resources, reducing food waste, and promoting recycling and waste reuse, as well as fostering the elimination of corruption and bribery.

4. INVESTMENT STRATEGY

The Fund follows both financial and non-financial criteria based on its sustainability ideology. Investments must primarily align with the Fund's sustainability ideology. From an ESG perspective, the following criteria are established to determine which assets to invest in, and they will be applied beforehand in the decision-making process for potential investments:

1. Exclusion criteria (applicable to at least 70% of the portfolio positions whenever data is available):

Firstly, as a basic exclusion criterion, any country (as well as companies from these countries) sanctioned for violating international regulations (EU Sanctions or the United Nations Security Council Consolidated List) or included by the Financial Action Task Force in its list of high-risk jurisdictions (FATF list) as territories with serious deficiencies in preventing money laundering or terrorist financing will be excluded from the investment universe.

Secondly, to complete the exclusion analysis, which will primarily apply to corporations, exclusions will be made based on revenue percentages, taking into account the nature of the business from which the revenue originates. As a general rule, all issuers whose primary source of income comes from the following areas, according to the indicated percentage of the company's revenue, will be excluded:

- The arms sector (in cases of the manufacture or commercialization of controversial weapons), whenever any of the following areas provide more than 5% of the company's revenue:
 - o Manufacture or supply of cluster bombs.
 - o Manufacture or supply of anti-personnel mines.
 - o Manufacture or supply of incendiary weapons (e.g., white phosphorus).
 - o Manufacture of riot control weapons (e.g., pepper spray).
 - o Manufacture of small arms.
 - o Manufacture or supply of chemical and biological weapons.
 - Companies involved in the manufacture and sale of tobacco (manufacturing, cultivation, or distribution), whenever more than 20% of the company's revenue comes from related activities (a higher threshold to exclude companies primarily engaged in this, as many entertainment or hospitality markets are involved in related activities, such as the ownership of vending machines, and more stringent limits would be overly restrictive, negatively impacting the free selection of assets and portfolio diversification. However, this threshold will be gradually reduced in the future, in line with increasing restrictions and the continued decline in tobacco consumption by society, which has been consistently decreasing over the last two decades).
 - Corporations whose main business area comes from adult entertainment or gambling (with a 5% revenue threshold for the former, which includes the manufacture and distribution of erotic or pornographic products, and a 20% threshold for gambling or betting. As with tobacco-related activities, these industries have a significant presence in the entertainment or hospitality sectors, such as in the ownership of slot machines or the video game industry, and the goal is to increase the cost of financing for companies whose primary source of revenue comes from controversial activities).
2. Evaluative criteria (applicable to at least 51% of the portfolio positions whenever data is available):

As an evaluation methodology, through the consultation of publicly available information on the websites of specialized organizations, through information from United Nations-affiliated agencies, from public information available on the websites of the companies themselves or from the regulator, but especially, and primarily after contracting sustainability information providers and through their specialized systems (mostly Clarity or Bloomberg), the contribution of the investments to several of the Sustainable Development Goals (and specifically to some of their targets or sub-goals)

of the Sustainable Development Goals (SDGs) established in 2015 by the UN General Assembly as the main criterion to assess whether companies actively contribute to achieving these goals, and to what extent they do so. This analysis will always be conducted at the issuer level. Thus, investments to be promoted will be those that score above 70 out of 100 in the Clarity application under the "UN SDGs" section, based on its own methodology, for at least two of the following targets or individual sub-goals:

- 5.5. Ensure full participation of women in leadership and decision-making.
- 8.4. Improve resource efficiency in production and consumption.
- 9.4. Enhance the sustainability of all infrastructures and industries.
- 10.1. Reduce income inequality.
- 10.3. Ensure equal opportunities and eliminate discrimination.
- 11.6. Reduce the environmental impact of cities.
- 12.2. Sustainable management and use of natural resources.
- 12.3. Halve global food waste.
- 12.5. Substantially reduce waste generation.
- 16.5. Contribute to reducing corruption and bribery.

In cases where the issuer's overall score at the "UN SDGs" level is below 25 points, their individual score for each of these areas will be analyzed, and the matter will be communicated to the decision-making bodies to assess how to proceed (whether to add it to the portfolio, reject its purchase, or divest if it is already in the portfolio).

Additionally, the country of origin of the issuer will be considered as an additional factor, given the differences in sustainability regulations across countries. To this end, the classification by country from the University of Cambridge based on its contribution to the Sustainable Development Goals, as detailed in "The Sustainable Development Report" (available at <https://dashboards.sdgindex.org/rankings>), will be used. Investments will be promoted in companies based in countries that score above 65 out of 100, while countries scoring lower will be avoided unless justified by a well-reasoned decision from the governing bodies, and only in specific cases—not as a general practice. For public debt from other issuers, the same methodology will be applied (in cases not covered by sustainability providers, such as municipal or regional governments, their debt will be treated as equivalent to the national debt of their country of origin). For supranational issuers, which generally cannot be evaluated in this regard, Luxembourg's rating will be used, as it is the reference country for the majority of supranational issuances held in the portfolio.

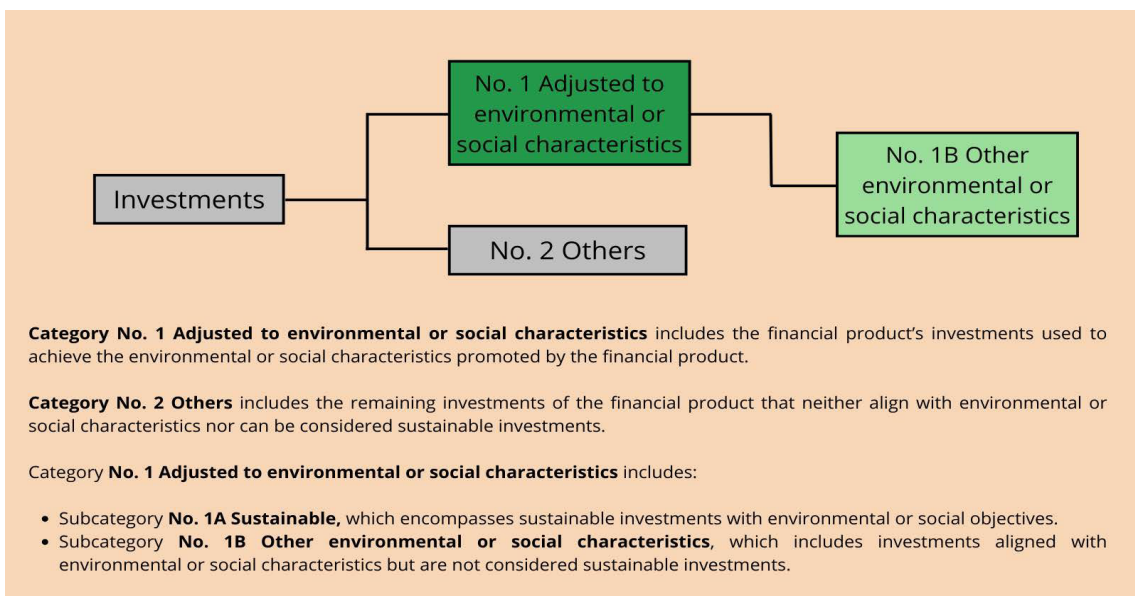
Finally, to complete the evaluation methodology, using data provided by various data providers for calculating principal adverse impacts, the individual impact of investments in the selected relevant areas will be analyzed. This aims to assess whether any issuers cause significant harm to any of the selected goals or targets. If so, the matter will be communicated to the decision-making bodies to evaluate further actions. This information will be cross-referenced with the scores for the various sub-goals of the SDGs. The goal is to channel investments towards assets that avoid poor sustainability practices. The principal adverse impacts to be considered in this evaluation will include, at the corporate level, Carbon Footprint, GHG Intensity, UNGC Violations,

Gender Pay Gap, Board Gender Diversity, and Exposure to Controversial Weapons, and for government bonds, Country GHG Intensity, and Country Score. In the latter case, since the issuer’s country of origin is considered by default as a primary check within the methodology, full compliance will be assumed even if the sustainability data provider lacks specific data.

This methodology will be applied similarly to both fixed income and equity funds and, in a similar manner, to investments in mutual funds or ETFs, using look-throughs conducted by external data providers. The aim is to evaluate their alignment with SDGs, country of origin, and principal adverse impacts for all vehicles not categorized as Article 9 under the sustainability regulation (Sustainable Finance Disclosure Regulation, or SFDR), as these are considered inherently aligned with the sustainability ideology and will count toward the minimum of 51% of investments that promote environmental or social characteristics.

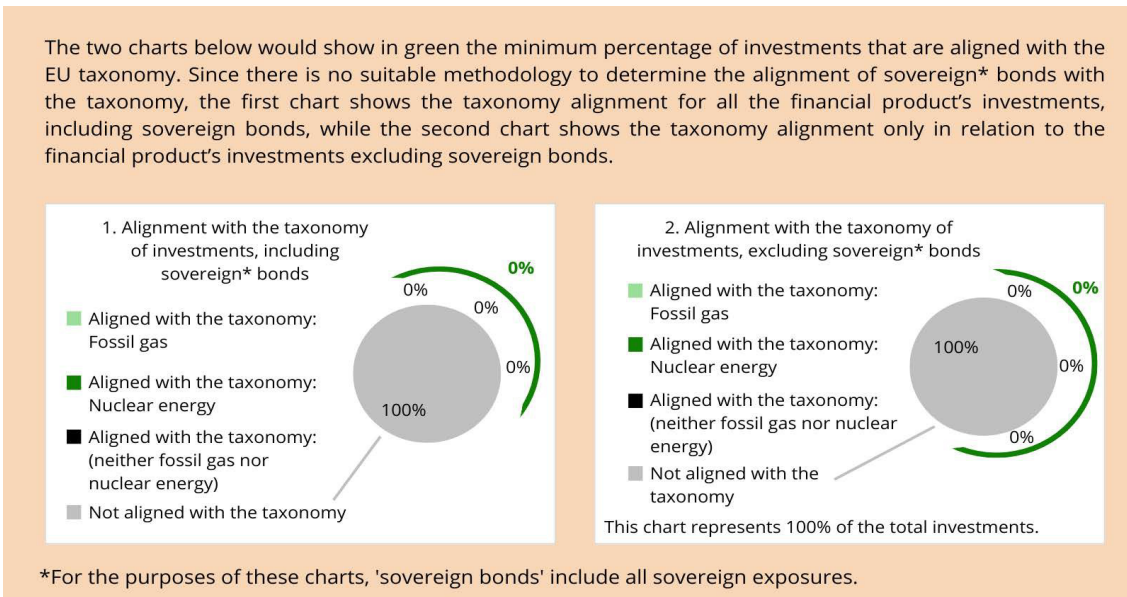
5. PROPORTION OF INVESTMENTS

The aforementioned procedures will generally apply to all fund positions whenever data is available. However, data may not be available in many cases, as is often the case with derivative instruments (primarily used for hedging), cash positions, or short-term financing in the form of corporate promissory notes, which, typically due to their size, do not allow for an adequate assessment using this methodology because they lack the same depth of data available for larger or publicly listed companies.



In any case, at least 70% of the Fund’s assets must be invested in assets that meet the exclusion criteria, and 51% must comply with the evaluative criteria. That is, in a global analysis of the portfolio, at least 51% of the assets must meet the requirement that a minimum of two out of the ten analyzed targets score above 70 out of 100 points in the Clarity AI application. The remaining 49% of the Fund’s assets

The remaining 49% of the Fund’s assets will include investments that are neither aligned with environmental or social characteristics nor considered sustainable. In any case, a maximum of 30% of these will not be subject to the exclusion criteria, consisting primarily of investments in derivatives aimed at risk hedging or maximizing financial returns, as well as the fund’s own liquidity. Regarding liquidity, if it cannot be assessed for alignment with the targeted characteristics, it will be considered neutral for the purpose of calculating the indicated percentages. This will not apply to derivative positions or investments where their contribution to sustainability cannot be determined, which will thus be counted within the 49% not aligned with environmental or social characteristics.



Regarding the minimum percentage of the Fund’s investments in transition and enabling activities, it is not determined and is therefore 0%. The minimum proportion of sustainable investments with an environmental objective not aligned with the EU taxonomy will also be 0% of its assets, as it is not established either. As for the minimum proportion of socially sustainable investments, it will also be 0% of the assets. The financial product’s investment in activities related to fossil gas or nuclear energy that comply with the EU taxonomy is also not targeted.

6. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

Las características medioambientales y sociales del fondo estarán integradas en el proceso de inversión, inicialmente con las exclusiones, y después por el estudio a nivel emisor de los ODS objetivados. Una vez se considera a la compañía susceptible de inversión y se materializa la adquisición, se monitoriza el desempeño agregado a nivel cartera, y, periódicamente, al menos de forma trimestral, se analiza la evolución del fondo en materia de sostenibilidad por parte del comité de inversiones.

To monitor the sustainability performance of the investments, the aggregate portfolio performance in relation to the SDGs will be periodically analyzed.

The aim is to ensure that the aggregate score for the 17 SDGs does not fall below 40 points out of 100 in the Clarity application, and that for at least two of the ten indicated targets, a score of 70 points out of 100 is achieved in the "UN SDGs" section based on the sustainability provider's methodology. Regarding principal adverse impacts, a comparison will be made at the individual level for all issuers (including look-throughs) against their peers, with proper reporting to the decision-making bodies of any issuers whose score in any of the analyzed categories falls below the 25th percentile compared to the universe of similar companies (as facilitated by Clarity AI), so that the decision-making bodies can take any appropriate actions.

7. METHODS

To analyze compliance with the environmental or social characteristics, after applying the initial exclusion criteria filter, a preliminary evaluative analysis is performed, followed by ongoing monitoring of the evolution of principal adverse impacts and the progress of the Sustainable Development Goals pursued at an aggregate level. This approach allows for tracking the fulfillment of the sustainable characteristics promoted. This strategy is continuously implemented in the investment process of the manager's sustainable vehicles. Existing controversies are analyzed to determine whether to maintain positions in the portfolio or propose divestment if the company is deemed not to align with the fund's sustainability ideology, as well as other relevant actions (for example, in the case of corporate events).

The investment committee, in its periodic review, is responsible for ensuring that the assets in which the fund invests largely adhere to its sustainability ideology.

8. SOURCES AND TREATMENT OF DATA

The data sources used to achieve the promoted characteristics are primarily the following:

- United Nations Security Council Consolidated List (<https://www.un.org/securitycouncil/content/un-sc-consolidated-list>).
- Lista GAFI (https://www.tesoro.es/sites/default/files/publicaciones/lista_gafi_jurisdicciones_de_riesgo_y_monitoreadas._octubre2022.pdf).
- UE Sanctions List (<https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>).
- Bloomberg (PIAs).
- Morningstar (ODS/PIAs).
- Clarity (ODS/PIAs).
- UN Global Compact (<https://www.unglobalcompact.org/what-is-gc/participants>) (ODS).
- Cambridge University (<https://dashboards.sdindex.org/rankings>) (ODS by country).
- Sustainability reports and annual reports of the different issuers.

All the sources used have been duly analyzed and are considered globally recognized, maintaining an appropriate level of quality for this purpose.

9. LIMITATIONS OF METHODS AND DATA

The main limitation we encounter for both the methods and the data sources themselves is the lack of updates and the inclusion of some of the analyzed data, as well as inconsistencies between different providers. For example, at the PAI level (information mainly sourced from Bloomberg and Clarity), we find that a large portion of the analyzed positions lack complete data on principal adverse impacts, which forces us to exclude, for now, those PAIs that, due to data scarcity, could be considered unrepresentative, thereby partially limiting the methodology. However, it is anticipated that in the future, as sustainability regulations expand their scope and have a greater impact at the corporate level, the volume of data will increase, which will allow for a broader reflection in this type of analysis.

Another limitation we may encounter is that in certain financial instruments (derivatives, structured products, cash), there is even less data than for other assets, and in some cases, no data can be obtained at all.

An additional limitation is the frequency of data updates, typically set at an annual level, which limits the ability to respond to short-term changes. However, the inclusion of various sources, using multiple indicators with different update frequencies, helps mitigate these limitations and reduce their impact.

10. DUE DILIGENCE

Our methodology is under continuous review, aiming to align as closely as possible with current regulations and to optimize the use and utility of data sources, as well as to continuously seek and evaluate alternatives for obtaining more information in this area. Likewise, periodic due diligence reviews are conducted to assess the accuracy of the data extracted from third-party tools and compare it with other providers, in order to communicate any detected inconsistencies or find discrepancies in our analysis.

The established sustainability criteria are periodically reviewed, ensuring that, while promoting their fulfillment, they remain aligned with the other objectives of stakeholders (such as profitability and risk). Additionally, it is regularly reviewed (by the investment committee) to ensure that this sustainability ideology is adhered to, integrating all non-financial information into the investment decision-making process for the vehicles managed with sustainable characteristics, and ensuring that the portfolio positions comply with the established requirements.

11. ENGAGEMENT POLICIES

Efforts will be made, either through the exercise of voting rights at general shareholders' meetings or through engagement or collaborative actions, when the type of assets and the ownership percentage allow (a holding of more than 1% of the capital for any company is targeted as the level from which engagement will be mandatory), to take the necessary actions aligned with the sustainable characteristics of the vehicles, as well as in potential corporate events or litigation that may arise in sustainability matters in the companies subject to investment, always maintaining alignment with the goal of maximizing returns for the involved clients. Thus, to the extent possible and based on our capacity to influence, efforts will be made to maintain active participation, promoting, through dialogue with corporate issuers or other alternatives that allow for maintaining contact with them or contributing to decision-making, the alignment of the underlying company's corporate policies with the sustainability preferences established in the sustainability ideology.

In this way, when analyzing the decisions to be made, the potential impact of the chosen action will be assessed in terms of financial performance, risk, and suitability, as well as the potential sustainability risks and opportunities.

12. REFERENCE BENCHMARKS

No reference index is established to measure the alignment of the portfolio with the sustainable characteristics it promotes.