

# 2023

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Reporting

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## Introduction

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Caja Ingenieros Vida y Pensiones is an insurer authorised to operate in the life segment in Spain. It provides coverage of the most common risks in said segment and it also manages pension plans and funds.

The entity is part of the Caja Ingenieros Group, a financial and insurance services cooperative, which gives it a special background. The cooperative model, which is the foundation of the Caja Ingenieros Group, fosters principles of ethics, commitment, trust and social responsibility, thus benefiting its members and employees, professional communities and society in general.

Sustainability is at the core of the Caja Ingenieros Group's strategy. With its cooperative background, it operates with a twofold function in regard to social and commercial endeavours. This results in the integration of environmental, social and governance (ESG) risks in the Group's strategy for generating value and promoting sustainability at all levels. To this end, in 2019 the Group approved the Sustainable Horizon Plan 2023, highlighting its goal to promote actions that encourage the achievement of the United Nations' Sustainable Development Goals (SDGs), most notably: 13. *Climate action*, 9. *Industry, innovation and infrastructure*, and 8. *Decent work and economic growth*. (More information can be found at <https://www.caixaenginyers.com/es/web/grupo/alianzas-sostenibilidad>).

Moreover, sustainability continues to be one of the Group's strategic pillars, for which reason the organisation has set strategic initiatives in this area and within the new 2026 Transforma Strategic Plan.

Caja Ingenieros Vida y Pensiones is dedicated to being the leading social welfare entity for the members of the Caja Ingenieros Group. To this end, it provides specific, supplementary services in relation to pensions and personal protection, adapting them to the real, individual needs of members and providing them with differential service.

In September 2021, Caja Ingenieros Vida became a signatory to the Principles for Sustainable Insurance (PSI) initiative, implementing each of the established principles in its activity and undertaking its own efforts in line with the initiative.

This act of solidarity reflects the entity's commitment to having a positive impact on society and to being actively involved in accelerating the great changes that must be made in the economy for the benefit of present and future generations.

This document highlights the milestones reached and the progress made in the adoption of the PSI initiative in the last year.

## Principle 1. We shall integrate in our decision-making process ESG principles that are relative to our insurance activity.

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The objectives set in the Sustainable Horizon Plan ([2023 Sustainable Horizon Plan – Caja de Ingenieros Group \(caixaenginyers.com\)](#)), which falls within the 2023 Conecta Strategic Plan of the Caja Ingenieros Group as a strategic axis, have been achieved.

During the Plan, the entity's positioning and social impact was reviewed and strengthened, and the result was that one of its six strategic areas is to reinforce the "S" aspect in the trinomial ESG (environment, social, governance) in its financial and insurance activity. Thus, the entity is taking care of the areas of inclusion, health, protection and financial education and is acting to ensure access to banking products and services by more disadvantaged groups, the administration of personal finances through different tools, the protection of consumers of financial services and the improvement of the financial culture of members and of society in general, with the ultimate aim being to help improve our members' financial health.

The entity has already set new objectives within the new 2026 Transforma Strategic Plan, focusing on increasing sustainability for its members, having the Group achieve carbon neutrality and enhancing alliances for sustainability. All this with the aim of increasing its contribution to this decisive decade in mitigating the effects of climate change.

We view finance as a tool for improving our members' financial and economic health and supporting them as they turn their life projects and dreams into reality. To this end, we focus on offering quality products and services, personalised and approachable service and generating a positive impact, which we do by offering financial and insurance solutions with a cooperative model that incorporates sustainability criteria.

As sustainability is one of the Caja Ingenieros Group's strategic pillars, the organisation has established the Sustainable Finance Committee, which is responsible for setting, measuring and controlling the Plan's objectives. It is headed by the Subdirector General of the Global Risk Management Area, which is formed by the general management teams of Caja Ingenieros Gestión and Caja Ingenieros Vida, leadership of the Caja Ingenieros Foundation, the Subdirector General for the Business Area, CSR and Communications Management, Distribution Management and DPM and Corporate Banking Management.

The Committee informs the Group's Management Committee and the Audit and Risks Commission directly of any progress, and this is reported to the governing bodies of the Group's companies via the different general management teams.

Caja Ingenieros Vida y Pensiones also has a Life Risk Management Committee and a Pension Activity Risk Management Committee, whose duties include monitoring the ESG risks to which the entity is exposed and mitigating them.

This progress materialises when measuring new ESG ratios for the entity's financial investments thanks to the inclusion of a new ESG information provider, thus strengthening the analyses carried out.

Said Committees, which meet quarterly at minimum, also monitor and perform an impact analysis of European regulations and national regulations in matters of sustainability (Taxonomy Regulation, Sustainable Finance Disclosure Regulation, Climate Change and Energy Transition Act, Pension Act Reform, among others).

As a result of European standards, Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019, on sustainability-related disclosures in the financial services sector (SFDR) came into force in March 2021. It established classification by product based on three articles: Article 6 (with no sustainability objectives; investment products that do not contemplate ESG risks or which are expressly declared "not sustainable"), Article 8 (they promote social and environmental initiatives together with traditional results objectives, meaning they do seek to promote ESG characteristics, despite not having a specific or defined sustainability objective) and Article 9 (with explicit sustainability objectives; investment products that have a clear sustainability objective that they must reflect, as well as the way in which they are to be achieved).

In the adaptation of the SFDR, Caja Ingenieros Vida y Pensiones has continued with its firm commitment to offering quality, sustainable and reliable solutions. To this end, in order to provide our members with more investment options that fulfil ESG criteria, 95% of our capital is invested in pension plans defined under Article 8 of the SFDR. Furthermore, the range of products we have with the SRI label has been expanded with the inclusion of the Autcat Futuro Autónomos Plan, PPES, a pioneering and exclusive pension plan for self-employed workers.

The investment strategy established in the Financial Investment Policy indicates several exclusions by sector for the whole of the entity's investments. In this sense, a minimum ESG score is required, and, in certain products, integration strategies are established based on further quantitative and qualitative aspects.

With the SFDR, the concept of PAIS (Principal Adverse Impacts on Sustainability) was also introduced. This can be defined as the negative effects a company's activity can have on sustainability.

Its purpose is to act as a deterrent in the areas of financial advice, planning and choice, thus equipping investors with more information on the consequences of negligently assigning capital.

With the latest update in 2023, there are 64 indicators divided into two types: mandatory and optional.

Caja Ingenieros Vida y Pensiones has published the update of its PAIS, assessing said impacts. This document can be found on our website ([Group breakdown](#))

([caixaenginyers.com](https://caixaenginyers.com)). In this way, we continue to encourage the inclusion of ESG matters in the decision-making process to invest in the entity's products.

On the other hand, in line with the SFDR, pre-contractual information on the products must be published, including matters related to the integration of sustainability risks, which must be reviewed and assessed annually in the post-contractual information. In 2023, we published the first post-contractual information report with data taken at the close of 2022. (Available on <https://www.caixaenginyers.com/es/pensiones>).

The entity continued to digitise its services, incorporating new products to online contracting, thus avoiding the unnecessary use of paper.

The entity provides stable employment to its entire workforce. At this time, none of the entity's employees have been hired through temporary employment contracts.

Furthermore, employees have attended training courses and have signed the Group's Code of Ethics. Training related to sustainable finance has been made available to the entire team of staff: sustainable investments, ESG asset types and their characteristics.

Furthermore, there are plans to develop a programme for the whole workforce on introducing and raising awareness on sustainability with the goal of training staff in basic knowledge, practical aspects and management tools within the ESG framework.

Training was also provided in matters such as gender equality, remote working conditions in the context of health and safety in the workplace, money laundering and market abuse.

## Principle 2. We shall collaborate with our customers and commercial members to raise ESG awareness, to manage risk and to create solutions.

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The raising of our members' ESG awareness starts with our range of products available to them.

Hence, SRI pension plans account for 75% of the whole of our individual plans. In other words, these products offer advanced ESG risk integration strategies. Furthermore, with the recent entry into force of the European Union's Sustainable Finance Disclosure Regulation (SFDR), 95% of funds are recognised in accordance with Article 8. This means that, despite not having a specific or defined sustainable objective, they do seek to promote ESG characteristics: they encourage environmental, social and good governance characteristics.

Moreover, the employment pension plans that are managed by Caja Ingenieros Vida y Pensiones report to control commissions, disclosing ESG metrics and other data related to the impact and issues of the ESG risks of investee companies. They also follow engagement policies that guide their steps in the different matters in which they are involved.

In this regard, Caja Ingenieros Vida y Pensiones is a pioneer in the inclusion of socially responsible investments into systematic savings through the Cdi PIAS GO, a life insurance that incorporates a concept of 100% flexible savings-investment that adapts to all investment profiles and companies. The members' acceptance of the SRI solution in unit-linked products based on baskets of investment funds amounts to 82% of the capital of this product.

The entity is also a pioneer having launched the first Simplified Pension Plan for Self-employed Workers. With this new instrument, financial services for self-employed individuals who are Autcat members and/or Caja Ingenieros members are expected to increase. It involves an agreement on the launch of a pension service designed for the self-employed, which will allow these workers to supplement their contributions with an additional 4,250 euros each year, thus offering self-employed individuals a tool that will be of great help to them with regard to their retirement, serving as a response to the pension reform, which, for the first time, considers the option of offering specific pension plans for self-employed workers. The work carried out together with Autcat members enables us to offer a new pension plan in line with socially responsible investment criteria that match the DNA of both entities.

Moreover, Caja Ingenieros Vida y Pensiones is contributing to the financial education of youth through the EFEC programme in secondary schools and conferences on awareness of social welfare and taxation.

In accordance with Regulation (EU) 2019/2088, Caja Ingenieros Vida y Pensiones publishes *information on its inclusion policy for sustainability risks in its investment decision-making process*, where it details the specific principles that are applied when considering sustainability risks and the procedure followed for their introduction, management and monitoring.

Caja Ingenieros Vida y Pensiones, as a long-term investor in its twofold role of insurance company and pension fund management entity, firmly believes that including extra-financial aspects in investment decisions, along with financial analysis and risk management processes, enables higher long-term, risk-adjusted returns to be generated.

Integrating environmental, social and governance (ESG) risks is crucial in an environment where sustainability has become a critical factor in determining a company's long-term value. (Click for more [information on the inclusion of sustainability risks.](#))

Through its aforementioned Strategic Plan, the Caja Ingenieros Group has set goals of aligning with the Paris Agreement, as well as supporting our members, both individuals and companies, in their transition to sustainable, low-emission models, thereby increasing their sustainability.

### Principle 3. We shall collaborate with governments, regulators and other relevant interest groups to promote throughout society a far-reaching initiative of awareness of ESG criteria.

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Caja Ingenieros Vida y Pensiones participates in the most important associations of the sector in Spain with regard to insurance (UNESPA and ICEA) and pension fund management (INVERCO). One of the entity's members was part of UNESPA's Sustainability Work Group in 2023.

Through said associations, we actively collaborate on reporting requirements set out by the regulator and their consultation periods on draft legislation.

A member of senior management at Caja Ingenieros Vida y Pensiones is also part of the governing body of the Catalan actuarial association (Col·legi d'Actuaris de Catalunya).

Several of the entity's professionals are actively present in work and research groups within the aforementioned association, which, in turn, has a representative in the international associations that take part in several different work groups.

Caja Ingenieros Vida y Pensiones plays an active role in the debate on pension reform, an area with a strong social aspect in Spain and which is currently engaged in a reform process. The entity leads the Pensions Work Group of the aforementioned actuarial association and has taken part in several pertinent conferences. Said work group has collaborated with the regulator in the revision of pension regulations.

The Group will soon be launching a Financial Education Content Platform, thus strengthening the "S" in the trinomial ESG (environment, social, governance). The goal of creating this tool is to equip the Caja Ingenieros Group's social areas of impact with resources they can employ in their financial and insurance activity, as well as in the initiatives promoted by the Caja Ingenieros Foundation, with a view to making a contribution to the areas of inclusion, health, protection and financial education, as well as acting to ensure access to products and services by more disadvantaged groups, the administration of personal finances through different tools, the protection of consumers of financial services and the improvement of the financial culture of members and of society as a whole.

The entity is firmly committed to strengthening its role in its model for creating shared and social value, which can help to guide the new economy through the environmental and social challenges we face. (More information can be found in the [2022 Annual Report](#))

With regard to stakeholders and engagement, the entity (via the Bank's control body) exercises all rights inherent to the Bank's values for the benefit of its members and beneficiaries. Shareholder engagement involves dialogue with the companies in which the

investor is positioned and requires a progressive improvement in this area, via the exercising of their vote at General Shareholder Meetings.

The practices required internationally by the investment community, vote advisors, the public policies adopted over the years and current legislation establish the need for companies to have a minimum representation of the gender least represented in order to assess the commitment towards parity of the companies in which the investment is made. It is worth noting that voting is carried out at General Shareholder Meetings. Thus, the entity favourably influences the management of investee companies through a series of criteria that are part of the Voting Policy. Shareholder involvement is an essential part of responsible investment. As well as selecting investments that comply with ESG factors and promote sustainability, this includes taking a stance and attempting to change practices in the private and public sector that, apart from the medium-term return on the investment, is also an improvement for society as a whole.

In the same way, the entity and its Group are committed to and prioritise continually evolving its sustainable finance with a clear, well-defined roadmap, which includes the European Commission's initiative that seeks to transform the EU economy into a sustainable, carbon-neutral economy by 2050, named the European Green Deal. (More information can be found in the [2022 Annual Report](#), p. 90)

Moreover, Caja Ingenieros Vida y Pensiones collaborates with the Caja Ingenieros Group Foundation through the donation of part of the management fee of one of its pension funds with advanced strategies of integration of ESG risks.

## Principle 4. We shall submit audited statements and show transparency, disclosing publicly and regularly our progress in the application of the Principles.

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The reporting requirements that were developed in Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019, on sustainability-related disclosures in the financial services sector differ with regard to the entity and to our products.

With regard to the entity, we publish the following reports on our website:

1. Information on the policy for integrating sustainability risks.
2. Information on the coherence of remuneration policies with the integration of sustainability risks.
3. Statement on the consideration and due diligence mechanisms regarding the principal adverse impacts (PAI) of investment decisions in sustainability factors, showing how investments negatively affect the indicators related to climate and environment, social and staff-related matters, respect for human rights and the fight against corruption and bribery.

With regard to our products, Caja Ingenieros Vida y Pensiones discloses information on products in both pre-contractual documentation and on the entity's website. The pre-contractual information includes an explanation on whether sustainability risks are included and how, as well as the consideration, or not, of the principal adverse impacts resulting from the investments. Furthermore, for Article 8 and Article 9 products, additional information is provided on how the social or environmental characteristics are promoted, in the case of the former, and how the sustainable objective is achieved in the case of the latter. These products also involve a requirement to disclose additional information in regular reports.

Caja Ingenieros Vida y Pensiones is committed to transparently communicating its progress in its implementation of the Principles for Sustainable Insurance (PSI). Thus, this report will be available on the entity's website and will also be published on the UNEP-FI website.