

Pre-contractual information on Discretionary Management Service for DPM Global Managers

1. What is DPM Global Managers?

Discretionary Portfolio Management (“DPM”) Global Managers is the brand name of one of the services offered by CaixaBank Wealth Management Luxembourg, S.A. (hereinafter referred to as “CWML” or “us”) to provide its customers with discretionary and individualised management of investment fund portfolios (hereinafter referred to as “portfolio management” or the “service”).

Portfolio management is a regulated investment service where you, by signing an agreement, assign CWML to manage the assets that you decide to place in the service from time to time.

2. What do I have to do to sign up for DPM Global Managers?

i) Suitability Test

The discretionary management means that investment decisions on the assets you place in the service will not be taken by you, but by a team of professionals specially assigned to this task at CaixaBank, A.M., SGIIC, S.A.U.¹ (hereinafter referred to as “CaixaBank AM”). We are therefore required by securities market regulations to ensure that the service we provide is appropriate to your knowledge, investment experience, goals and financial situation. For that reason, we will ask you to carry out and pass a suitability test prior to signing up for the service. You should be aware that if you do not wish to take this test or, having taken it, you do not pass it, we will not be able to provide you with the service.

The suitability test also enables us to determine the maximum equity risk that you can undertake. Based on this information, we will assign you to one of the five risk profiles under which we provide the service, which are detailed below:

- **Portfolio 1:**
Designed for customers who plan to hold their investment for a period of at least 1 year and who are not able to invest in equities.
- **Portfolio 2:**
Designed for customers who plan to hold their investment for a period of at least 2 years and who can invest up to 20% of the contributed assets in equities.
- **Portfolio 3:**
Designed for customers who plan to hold their investment for a period of at least 3 years and who can invest up to 35% of the contributed assets in equities.
- **Portfolio 4:**
Designed for customers who plan to hold their investment for a period of at least 4 years and who can invest up to 60% of the contributed assets in equities.
- **Portfolio 5:**
Designed for customers who plan to hold their investment for a period of more than 5 years and who can invest up to 100% of the contributed assets in equities.

¹ CaixaBank AM, a member of the CaixaBank Group, has been delegated the management of the portfolios. Under no circumstances does such delegation diminish CWML's liability to you or alter CWML's obligations or relationship with you.

You should be aware that we will apply the following criteria for the assessment of the suitability test:

- Where there are several holders, the test will only be carried out on one of them.
- In the case of a legal person, the test must be carried out by a representative (natural person) holding sufficient authority for such purpose.
- When assessing knowledge and experience, we will take into account the knowledge and experience of the joint holder or representative who will perform the test. By signing the Agreement, all joint holders grant each other joint and several authorisation for any of them to carry out and update the test.
- In order to assess financial ability and investment goals, we will take into account those of all the joint holders as a whole or, where appropriate, those of the legal person. For such purpose, all joint holders undertake to disclose their financial ability and investment goals to the joint holder who will perform the test.

ii) Agreement

After passing the test, you and we will sign the discretionary and individualised investment fund portfolio management agreement, which consists of two parts:

- General terms and conditions, which regulate all matters that apply across the board to any type of service.
- Particular terms and conditions, which regulate matters that only apply to the type of service for which you are signing up. Among other matters, this is where the risk profile assigned for the provision of the service is shown. This risk profile may never be higher than the risk profile determined in the suitability test. However, at your request, you may sign the agreement with a lower risk profile.

To sign the agreement, we will ask you to associate a current account opened with us at CWML (hereinafter referred to as the “associated account”) with the service. Where applicable, the associated account will be the account from which we will collect the fee for the provision of the service; from which the transactions for contributions to the portfolio must be instructed; and to which any withdrawals you request from us will be received. We will verify that at least one of the associated account holders matches one of the service holders. The association of this account with the service will not incur any additional cost or charge.

iii) Initial contribution

Lastly, you must place the first order for contribution to the portfolio.

3. How does DPM Global Managers work?

CWML provides the service through model portfolios of investment funds. This means that all portfolios within the same risk profile are managed centrally, with our managers defining the weightings to be assigned to each of the investable funds from time to time.

Minimum investment (initial investment and maintenance): In order to sign up for DPM Global Managers, you must make a minimum investment of €500,000. This minimum investment can be made in cash (debited to the associated account) or in shares of investment funds. You should be aware that the minimum investment must be maintained for the whole term of the service. We will not consider decreases in the value of assets under management caused by market fluctuations and not by drawdown requests as a breach of the minimum investment maintenance requirement.

Additional contributions: You may increase the amount of assets under management at any time during the term of the service. For such purpose, you must submit a contribution request, which can be made in cash (to be debited to the associated account) or in shares in investment funds. Please be advised that all contribution requests must be supported by a suitability test, which means that we will not accept requests that exceed the maximum amount assessed in the suitability test currently in force.

Withdrawal of assets under management: Notwithstanding the right to request termination of the service, you may withdraw assets under management at any time by sending us the relevant request. You should also be aware that we will not accept requests for partial withdrawals if the assets under management fall below the minimum investment.

All requests, whether for contributions or withdrawals, are subject to the prior settlement of the management operations initiated in the model portfolio prior to the submission of the relevant request.

Change of risk profile: You may request access to any of the five (5) risk profiles offered by CWML at any time. However, the requested risk profile must always be supported by a suitability test, meaning that if you wish to subscribe to a higher risk profile and your current suitability test does not allow you to do so, you will have to take and pass a new test. Not passing the test does not mean that we will cancel your service, but that we will continue to provide it to you under the terms of your agreement. You do not need to take a new test if you are requesting a lower risk profile.

Benchmark for assessing portfolio performance: In order for you to be able to assess CWML's management performance, stock market regulations require us to offer you a method for assessing the performance of and comparing your portfolio. This is why we have defined a benchmark that combines different financial index, each with a different weighting depending on the risk profile that has been agreed.

The index currently selected to act as benchmarks are the following:

Asset Class	BMG Ticker	Index	Port 1	Port 2	Port 3	Port 4	Port 5
Equity US	MSDEUSN Index	MSCI USA Net Total Return EUR Index	0.0%	4.0%	12.0%	122.0%	334.0%
Equity Europe	MSDEE15N Index	MSCI Europe	0.0%	3.0%	8.0%	15.0%	25.0%
Equity Japan	MSDEJNN Index	MSCI Japan	0.0%	1.0%	2.0%	2.0%	4.0%
Equity Emerging	MSDEEEMN Index	MSCI Emerging Markets	0.0%	2.0%	3.0%	6.0%	12.0%
Sovereign Bonds Europe	EG00 Index	ICE BofAML Euro Government	35.0%	31.0%	29.0%	23.0%	7.0%
High Grade Credit Europe	ERL0 Index	ICE BofAML Euro Large Cap Corporate	30.0%	30.0%	28.0%	23.0%	10.0%
High Yield Credit Global	HW0C Index	ICE BofAML Global High Yield IndexIC	5.0%	5.0%	3.0%	3.0%	5.0%
Emerging Fixed Income	IM00 Index	E BofAML Global Emerging Markets Sovereign & Credit	5.0%	4.0%	3.0%	2.0%	0.0%
Alternative Investments UCITS	HFRURVA	HFRU Relative Value Arbitrage	20.0%	15.0%	6.0%	0.0%	0.0%
Liquidity	LEC0 Index	BofA ML Euro Currency Overnight Deposit Offered Rate Index	5.0%	5.0%	6.0%	4.0%	3.0%

CWML may review and update the assessment and comparison method in accordance with the risk profile of the portfolio. You will be notified of any such update prior to its implementation in accordance with the terms of your agreement.

Criteria for valuing the assets in the portfolio: As your portfolio will consist of shares or holdings in collective investment funds, provided that a net asset value is calculated for the relevant day, we will value them at that net asset value. If no net asset value is calculated for the relevant day, either because the day does not count as a business day for the publication of the net asset value of that investment fund, or because the net asset value is calculated at a different frequency, we will use the last available net asset value.

Regular reporting: CWML will provide you with the following information related to the service:

- **Portfolio report:** We will send you a monthly report on the composition and valuation of your portfolio, the returns and their comparison with the benchmark, along with details of the transactions carried out, fees and expenses incurred during the period and a report on the strategy applied and the investment decisions taken.
- **Tax report:** This will be sent on an annual basis.
- **Individualised information on each transaction carried out:** At your request, you have the option to receive individual information on each transaction carried out on the investment funds that are part of your portfolio.

4. Which investment funds are part of DPM Global Managers?

DPM Global Managers consists of the following:

- a) Shares and units or specific classes of shares and units of investment funds managed by CaixaBank Group companies for the exclusive investment of discretionary management portfolios identified as such in the prospectuses for such funds.
- b) Series of shares and units or classes of shares and units of third-party investment funds.

The portfolio will consist of a selection of Investment Funds that meet certain requirements and are weighted in accordance with the investor profile).

5. What are the risks involved in signing up for DPM Global Managers?

Since the assets under management are invested exclusively in investment funds, signing up for the service involves certain risks linked to the investment policies of each of the funds that make up the portfolio from time to time.

Investment funds are products subject to market fluctuations. This means that their net asset value fluctuates according to the value of the financial instruments in which they invest. Therefore, investments in the service are not guaranteed and may result in losses. Moreover, we advise you not to rely on past performance of your portfolio or the funds in which they are invested as they are not a reliable indicator of future performance.

Lastly, please bear in mind that, taking into account the five risk profiles that we offer for the service, you should never forget that profitability and risk are two concepts that go hand in hand: the higher the expected profitability of a product or service, the greater the risk involved.

6. What are the costs of DPM Global Managers?

Applicable annual fees for the discretionary portfolio management service

The customer shall pay CWML a minimum management fee of €6.250 for the provision of the service. A minimum administration and custody fee of €1.750 and a maintenance fee of €1.000.

Maximum management fee of:

- 1.25 % for portfolios with assets under management below €1,999,000.
- 1.15 % for portfolios with assets under management below €4,999,000.
- 0.80% for portfolios with assets under management below €10,000,000.

The amount of the service fees will be increased by the relevant VAT or tax in accordance with the applicable regulations.

The investment funds in which the portfolios invest also have management and deposit fees.

How is the management fee calculated and applied?

We determine the applicable percentage for the management fee by considering the net contributions, weighted by the time held in the year (i.e. contributions minus withdrawals, without taking into account market-related changes in the portfolio), made to all the DPM Global Managers agreements signed with identical ownership and regardless of the risk profile assigned to each of them.

The management fee will be charged on a quarterly basis on the effective average value of the managed portfolio. The accrual term ("fee generation") shall end on 31 March, 30 June,

30 September and 31 December of each year in which the agreement is in force or, if this falls on a non-business day, on the next business day. The settlement (“charging”) shall take place within the latter 15 days of the relevant month.

If your agreement is terminated and the period to be settled (“charged”) is shorter than the aforementioned term, the applicable fee will be calculated on a pro-rata basis based on the number of days accrued (“elapsed”).

How is the management fee charged?

OPTION 1 (default option)

We will charge you the management fee by debiting (“charging”) the associated bank account. In this case, if the associated bank account does not have a sufficient balance to cover the fees due, you authorise us (in the agreement) to order a redemption of units under the terms specified in the following paragraph.

OPTION 2

We will charge you the management fee by redeeming shares in one of the investment funds in which your portfolio is invested, in an amount sufficient to cover the amount due.

7. What are the tax implications of DPM Global Managers?

Pursuant to the provisions of Additional Provision Five of the Spanish Collective Investment Institutions Act, and in the event that the CUSTOMER, as a unit-holder of the Investment Funds invested in through this Agreement, is a natural person, whether resident for tax purposes in Spain (common territory, Basque Country or Navarre) or abroad, we must inform you of the following tax implications arising from the simultaneous holding of units of the same fund in the registers of unit-holders of more than one entity:

- If you have already acquired directly, or acquire in the future through a Investment Funds management or marketing company, shares or units of the same Investment Funds as those which are the subject of subscription through this Discretionary Portfolio Management Agreement and are therefore included in the registers of unit-holders of more than one Investment Funds management or marketing company at any time during the holding period prior to a redemption of these shares or units, or in the case of holdings of shares or units resulting from one, several or successive transfers of other shares or units where one of these transfers was made at the same time as the shares or units redeemed or transferred, this could have the following tax implications:

- a) When making a redemption, the capital gain or loss to be considered for personal income tax or non-resident income tax purposes must be determined by the unitholder, as it may vary from the result calculated by the management company or marketing company with which the transaction is carried out.

For such purpose, when homogeneous securities are transferred, those transferred by the taxpayer are deemed to be those that were acquired first (FIFO rule). Homogeneous

securities are considered to be all securities originating from the same issuer and forming part of the same financial transaction or serving a single purpose, having the same nature and transfer regime and attributing to their holders a materially similar content of rights and obligations and, in particular, shares or units of the same Investment Funds. In line with the foregoing, it should consider the following implications:

- If, at the same time as for the securities in your managed portfolio, you own homogeneous securities acquired through our institution or another institution, when you transfer or redeem these shares or units, the capital gain or loss generated will be the same as that deriving from the transfer of the homogeneous security acquired first (FIFO rule) and, therefore, will not always be the same as the gain or loss that theoretically corresponds to the security that you are transferring.

- If you transfer or redeem shares or units of the same Investment Funds outside your managed portfolio that generate capital losses, you should take into account that within the framework of the managed portfolio, homogeneous securities may have been acquired within the terms legally stipulated for such purpose (within 2 months before or after for sales of securities admitted to trading on one of the official securities markets defined in Directive 2004/39/EC or 1 year before or after the transfer for other securities), which will prevent you from offsetting the loss incurred for tax purposes in your Personal Income Tax. This loss will be included in this tax as the securities remaining in the managed portfolio are transferred and as long as no new repurchases of homogeneous securities are made within these periods.

- The same may occur if the transfer or redemption giving rise to the capital loss concerns shares or units of the same Investment Funds within your managed portfolio and you acquire homogeneous securities within the terms specified above outside the discretionary securities management service or even in respect of transfers and repurchases of homogeneous securities within your own managed portfolio.

As the agreement holder you must analyse each case individually to assess possible tax issues arising from holdings in several files of homogeneous securities.

- b) Any capital gain obtained may not be calculated as a capital gain subject to withholding or payment on account for the purposes of the limits excluding the obligation to declare set out in Article 96 of Act 35 of 28 November 2006, on Personal Income Tax and partially amending the laws on Corporate Income Tax, Non-Residents Income Tax and Wealth Tax.
- c) Where units are redeemed under the deferral regime regulated in Article 94.1.a), paragraph two, of Act 35/2006, the unitholder must determine the dates and values of acquisition to be attributed in accordance with the provisions of such Act to the new units or shares acquired, and must keep such information for the purposes of subsequent redemptions or transfers, regardless of the tax information communicated between the institutions involved in the transaction.
- d) Unitholders who are subject to non-resident income tax due to obtaining capital gains without the use of a permanent establishment in Spanish territory, derived from the redemption of the units of the fund, must declare and pay to the Treasury the tax liability corresponding to such capital gains, when the withholding or payment on account made thereon is less than the amount to be paid for the aforementioned tax.

- Where the Investment Funds have different compartments or different classes of units or series of shares, the circumstances set out above shall apply to each compartment, class of units or series of shares.

8. Do you know why our portfolios include sustainability factors?

CWML is firmly committed to supporting the transition of society towards a more sustainable model. This is why we build sustainability factors into the investment decisions made for all our portfolios, in addition to the traditional financial and risk criteria.

All CWML portfolios therefore include environmental, social and governance (or “ESG”) factors.

This means that, when deciding on the assets in which to invest the portfolio, CaixaBank AM's team of professionals will take into account different principles based on sustainability criteria, such as monitoring the performance and development of the securities or issuers in question, the application of exclusions to the investment universe or the analysis of controversies regarding the companies or issuers in which it plans to invest.

CaixaBank AM will also use sustainability indicators obtained from a range of financial and ESG platforms and databases, and will follow an investment strategy based on the ESG analysis and evaluation of the good governance practices of the companies or issuers in which it invests, compliance with due diligence procedures with regard to external fund managers, and engagement through dialogue and voting actions with the companies or issuers in which it invests.

This portfolio does not have a minimum investment target in activities aligned with the EU Taxonomy Regulation 2020/852 and hence no specific methodology is applied for the calculation of the alignment with the EU Taxonomy. The "do no significant harm" principle applies only to investments underlying the financial product that meet the EU criteria for environmentally sustainable economic activities. The investments underlying the remainder of the financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Are you aware that this portfolio also promotes environmental and/or social features?

In addition to including sustainability factors, **this portfolio promotes environmental and/or social features²**, meaning that it is managed with the intention of promoting certain ESG features in accordance with the mission of each of the investment funds in which it invests, while complying with the requirements set out in the applicable regulations on sustainability-related disclosures.

This portfolio will invest in investment funds categorised as sustainable and the portfolio's typical exposure to these products will be monitored to be greater than 50%. In order to identify the funds that are considered as sustainable, the portfolio management team will take into account the classification under Article 8 and/or 9 as set out in Regulation (EU) 2019/2088.

For funds classed under Article 8 and/or 9, CaixaBank AM, in its position as fund manager, will use indicators to measure compliance with the environmental and/or social features promoted by each fund or compliance with the sustainable investment objective.

² In accordance with the requirements set out in Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures.

The CWML website contains relevant information on how CWML incorporates sustainability risks into the investment decisions associated with the portfolios, as well as specific information on portfolios that promote environmental or social features.

This document is provided for your understanding of the service. Please only sign up for the service once you have read and understood all the information we provide you with.