

Bestinver Infra II

Pre-contractual information on the financial products mentioned in Article 8 (1), (2) and (2) bis of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

BESTINVER INFRA II

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not cause significant harm to any environmental or social objective that the companies invested in follow good governance practices.

The **EU Taxonomy** is a classification system envisaged in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. Said Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective may or may not conform to the Taxonomy.

Product name: Bestinver Infra II, FCR (the "Fund")

Legal entity identifier: 213800PF3YQK6Y22JP25

Environmental or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum number of **sustainable investments with an environmental objective: ___%**
 - in economic activities considered environmentally sustainable pursuant to the EU Taxonomy
 - in economic activities not considered environmentally sustainable pursuant to the EU Taxonomy

- It promotes environmental or social characteristics** and, although it does not have a sustainable investment objective, it will have minimum percentage of ___% of sustainable investments
 - with an environmental objective in economic activities considered environmentally sustainable pursuant to the EU Taxonomy
 - with an environmental objective in economic activities not considered environmentally sustainable pursuant to the EU Taxonomy
 - with a social objective

- It will make a minimum number of **sustainable investments with a social objective: ___%**

- It promotes environmental or social characteristics, but **will not make any sustainable investment**









What environmental or social characteristics does this financial product promote?

The Fund ensures that at least 51% of investments are made in investees or assets engaging in an economic activity that, in addition to financial returns, actively contribute to the promotion of social and/or environmental characteristics, generating a measurable positive impact on society in alignment with the United Nations Sustainable Development Goals 2023 ("**SDG**").

Beyond generating a positive impact on the SDGs, the Fund's investments that seek to promote environmental or social characteristics will be made in assets whose activity is included among the eligible activities envisaged in Regulation (EU) 2020/852 of the European Parliament and of the Council (European Taxonomy), as established in the following list of activities: <https://eur-lex.europa.eu/legal-content/ES/TXT/PDF/?uri=CELEX:32021R2139>.

In this connection, the Fund's investment policy will focus mainly on five sectors:

| Sector | Priority SDG | Contribution of the Assets |
|--------|--------------|----------------------------|
|--------|--------------|----------------------------|

| Sector | Priority SDG | Contribution of the Assets |
|-----------------------|--|--|
| Social infrastructure |   | - Significantly increase investment in healthcare workers and promote gender equality in education through investment in, inter alia, Universities, Hospitals and Residence Halls that contribute directly or indirectly to these goals. |
| Water |  | - Improve water quality by reducing pollution through investment in, inter alia, wastewater treatment activities, water supply, etc. |
| Renewable energy |  | - Ensure universal access to affordable and non-polluting energy services and increasing the proportion of renewable energy by investing in assets that contribute directly or indirectly to mitigating the effects of climate change, inter alia, transmission and distribution of electricity, generation of electricity by means of photovoltaic solar technology, wind power, etc. |
| Telecommunications |  | - Increase access to information technology and communications by investing in assets that facilitate, inter alia, data processing, hosting and related activities, and radio and television broadcasting. |
| Transport |  | - Develop reliable and sustainable infrastructures by investing in assets that promote, inter alia, passenger and freight transport by road, sea, rail, etc. |

Cross-cutting SDGs

In addition to the aforementioned sectors, the Fund contributes to the following SDGs in a cross-cutting manner.

In this connection, the Fund offers quality employment and opts for sectors and companies that respect human rights, offer decent pay and adequate working conditions. Furthermore, the activities to which the Fund contributes



Following the United Nations Principles for Responsible Investment Principles (UNPRI) to

which the Fund is committed, (i) they integrate ESG criteria in the investment decision-making process and (ii) monitor and track on ESG performance during the life cycle of the asset (see next section).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are achieved.

- ***What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by this financial product?***

Fulfilling the responsibility for tracking and monitoring the evolution of ESG risks and opportunities of the assets in the portfolio, the management team will measure the ESG impact of its investments through a series of impact indicators linked to its sectors of operation:

| Sector | Relevant indicators |
|-----------------------|---|
| Social infrastructure | - Number of beneficiaries of the infrastructure or social service provided - Surface area of the asset (m ²) |
| Water | - Volume of treated water (m ³) |
| Renewable energy | - Energy produced (GWh) - Greenhouse gas emissions avoided (tCO ₂ e) |
| Telecommunications | - Number of beneficiaries of the infrastructure or service provided |
| Transport | - Length of the infrastructure built/owned (km) |

The List is indicative and not exhaustive. The aforementioned indicators will be measured in accordance with their applicability to the investments made, to their typology (Brownfield vs Greenfield) and to the geographical region where the asset is located. The corresponding indicators that cannot be measured (particularly in Greenfield-type assets) will be replaced by indicators that the investment team considers adequate to ensure the proper measurement of the ESG impact.

The indicators defined to measure the achievement of each of the environmental or social characteristics promoted by the Fund will be reported annually together with the Principal Adverse Impacts (PAIs).

- ***What sustainable investment objectives does the financial product aim partly to achieve and how does the sustainable investment contribute to said objectives?***

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.

Principal Adverse Impacts are the most significant adverse impacts of investment decisions on sustainability factors relative to environmental, social and labour issues, respect for human rights

- ***In what manner do sustainable investments that the financial product partly intends to make do not adversely impact any environmental or social sustainable investment objective?***

This does not apply, since the Fund will not make investments with a sustainable objective as per the definition of Delegated Regulation (EU) 2022/2088.

● **How have adverse impact indicators been taken into account?**

This does not apply, since the Fund will not make investments with a sustainable objective as per the definition of Delegated Regulation (EU) 2022/2088.

● **To what extent are sustainable investments aligned with the OECD Guidelines for Multinational Companies and the Guiding Principles on Business and Human Rights? Details:**

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.

The EU Taxonomy establishes the principle of "do no significant harm", whereby those investments that conform to the Taxonomy shall not cause significant harm to the EU's Taxonomy objectives, and includes specific EU criteria.

The principal of "not causing significant harm" applies only to investments underlying the financial product that take into account EU criteria for environmentally sustainable economic activities. Investments underlying the rest of the financial product do not take into account EU criteria for environmentally sustainable economic activities.

Neither should any other sustainable investment significantly harm any environmental or social objective.



Does this financial product take the principal adverse impacts on sustainability factors into account?

Yes. The measurement of the principal adverse impacts on sustainability factors are measured through the compulsory indicators of Table 1 and the relevant indicators of tables 2 and 3 of Appendix I of the regulatory technical standards (RTS) of Delegated Regulation (EU) 2022/2088.

The information relative to the measurement of the PAIs will be available in the annual report.

No



What investment strategy does this financial product follow?

In line with section one, the Fund's investment policy will focus on five sectors of activity: (i) social infrastructure, (ii) water, (iii) renewable energy, (iv) telecommunications and (v) transport.

We have identified four phases in the ESG analysis process of Bestinver's infrastructure assets around which we have built our ESG analysis methodology, which we will use to analyse the investments:

- Infrastructure asset exclusion policy - Initial exclusion from the investment universe of assets engaging in certain activities or sectors that the Fund considers do not have ESG improvement potential, whether due to the nature of the activity or to the lack of commitment of the management team.
- ESG pre-assessment of infrastructure assets - Preliminary analysis in the Non-Binding Offer (NBO) phase to identify the most relevant ESG risk that must subsequently be analysed in depth, thereby obtaining an initial rating and a preview of their performance in the main ESG factors.
- ESG Due Diligence of the infrastructure assets - Assets that pass the initial assessment phase and are considered potentially suitable for inclusion in portfolios must undergo an in-depth ESG analysis prior to any binding offer, analysing all the information related to their ESG performance and key metrics

associated with their activity, thereby obtaining a detailed analysis that complements the financial analysis.

- Active ownership policy for infrastructure assets - Once included in the portfolios, the investment team will monitor the evolution of the ESG metrics identified. In this phase, our active owner approach is enhanced, constantly promoting an improvement in asset ESG performance through a proactive dialogue and defining action plans with the greatest potential impact in terms of ESG in conjunction with the asset management teams.

Throughout the asset investment and management process, beyond UNPRI, the Fund takes into account other market-recognised sustainability standards, including the Equator Principles, the Operating Principles for Impact Management, GRESB and the Sustainable Development Goals.

Furthermore, the Investment Committee, together with the ESG team, supervise the application of the Fund's ESG strategy, relying on external advisors when necessary.

The investment strategy guides the investment decisions on the basis of factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select investments aimed at achieving each of the environmental or social characteristics promoted by this financial product?***

The binding elements of our investment strategy used can be divided into three: (i) That at least 51% of the investments are made in investees or assets engaging in an economic activity that contributes actively to the promotion of social and/or environmental characteristics; (ii) the exclusions of different sector and companies from our investment universe; and (iii) our general ESG risk and opportunity management methodology, reflected in our mandatory investment principles and policies.

The three binding elements of the investment strategy are described below in further detail:

(i) Investments

51% of the Fund's investments are made in investees or assets engaging in an economic activity that contributes actively to the promotion of social and/or environmental characteristics, generating a measurable positive impact on society that is aligned with one or more of the United Nations Sustainable Development Goals for 2023 ("SDG") as mentioned in section one: "What environmental or social characteristics does this financial product promote?".

Also, in order to ensure that the investments made by the Fund, although not sustainable investments as defined in Delegated Regulation (EU) 2022/2088, do not cause significant harm to any environmental or social investment objective, the Fund has decided to adopt the standards established in the Equator Principles (EP). The Equator Principles, their scope and approach to be adopted for their analysis are described on their official website via the following link: <https://equator-principles.com/> In order to make this decision, a thorough analysis of the best practices used Due Diligences for infrastructure assets has been performed in collaboration with the Sustainability area of the Acciona Group.

Although the Fund does not make sustainable investments, it seeks to guarantee minimum safeguards in line with the European Taxonomy and the OECD Guidelines for Multinational Companies and the United Nations Guiding Principles on Human Rights (UN Global Compact).

(ii) Exclusions from our investment universe

Fulfilling our responsibility and commitment, all of the Fund's investment strategies encompass the three essential elements of responsible investment:

- Rigorous analysis of the main risks and opportunities associated with ESG

- factors in all the assets that comprise our portfolio.
- Proactive promotion of a sustainable agenda and improved ESG performance of the companies and assets in which we invest, through our engagement with management teams and our active owner approach.
- Exclusion from our investment universe of those sectors or companies where we believe that these ESG improvements are not possible due to the nature of their businesses or due to the lack of action and initiative of the management team despite our proactive influence.

In general, the main reasons or factors considered by the Fund when selecting the activities to be excluded from the infrastructure asset investment universe are focused on:

- Greenhouse gas (GHG) emissions.
- Contribution to air and water pollution.
- Energy efficiency and efficient use of resources.
- Contribution to climate change.
- Impact on biodiversity.
- Infringements of fundamental human rights standards.

Based on these factors, the Fund has identified the following sectors and activities to be excluded based on the impact of their activities on society and the environment: (i) Thermal coal; (ii) Fossil fuels; (iii) GNC (Compressed Natural Gas) and LPG (Liquefied Petroleum Gas); (iv) Nuclear energy; (v) Controversial weapons; and (vi) Violations of international human rights laws. Further information on assets to be excluded can be found at: [Bestinver Responsible Investment Principles for Infrastructure Assets](#)

(iii) ESG methodology and active ownership of our investments

The investment team will define and prioritise the agenda of topics to be included in their dialogue with the asset management team. This interaction enables the investment team to obtain more comprehensive, reliable and first-hand information on the risks identified in the analysis, sharing the conclusions in order to enhance their performance through a fluid dialogue.

The investment team will carry out the dialogue and engagement actions defined, monitoring them and analysing their impact on company performance. In accordance with the risk identified in engagement initiatives and the response and actions carried out by the company, the investment cases may be reassessed and relevant changes in the management models of said assets may be requested (through the appropriate mechanisms).

Good governance practices include good management structures, employee relations, employee remuneration and compliance with tax obligations.

- ***What is the minimum percentage committed to reduce the size of the investments considered prior to applying said investment strategy?***

Not applicable. There is no minimum percentage to reduce the scope of the Fund's investments.

- ***What is the policy for assessing the good governance practices of the companies invested in?***

The Fund will ensure that the assets with which it interacts implement, in the best possible way, the monitoring of international corporate governance practices guided by the International Corporate Governance Network (ICGN), focusing our dialogue on: (i) Improving quality and promoting best practices in Boards of Directors; (ii) Improving the corporate culture; (iii) Implementing an adequate executive remuneration policy; and (iv) Improving dissemination and transparency.

For further information, see section "What investment strategy does this financial product follow" and the following link: [Bestinver Responsible Investment Principles for Infrastructure Assets](#)



What allocation of assets is envisaged for this financial product?

| Types of assets | Percentage of the investments | Description |
|---------------------------------|-------------------------------|---|
| Assets that promote ESG aspects | >= 51% | The Fund will ensure that the investments under this category are made in investees or assets engaging in an economic activity that, in addition to financial returns, contribute actively to the promotion of social and/or environmental characteristics. See preceding sections for greater detail. |
| Other assets | <= 49% | The Fund guarantees that all the investments will follow the guidelines described in Bestinver's Principles and Policies, including the investment exclusion policy, which ensures a set of minimum environmental, social and governance safeguards. |

Allocation of assets

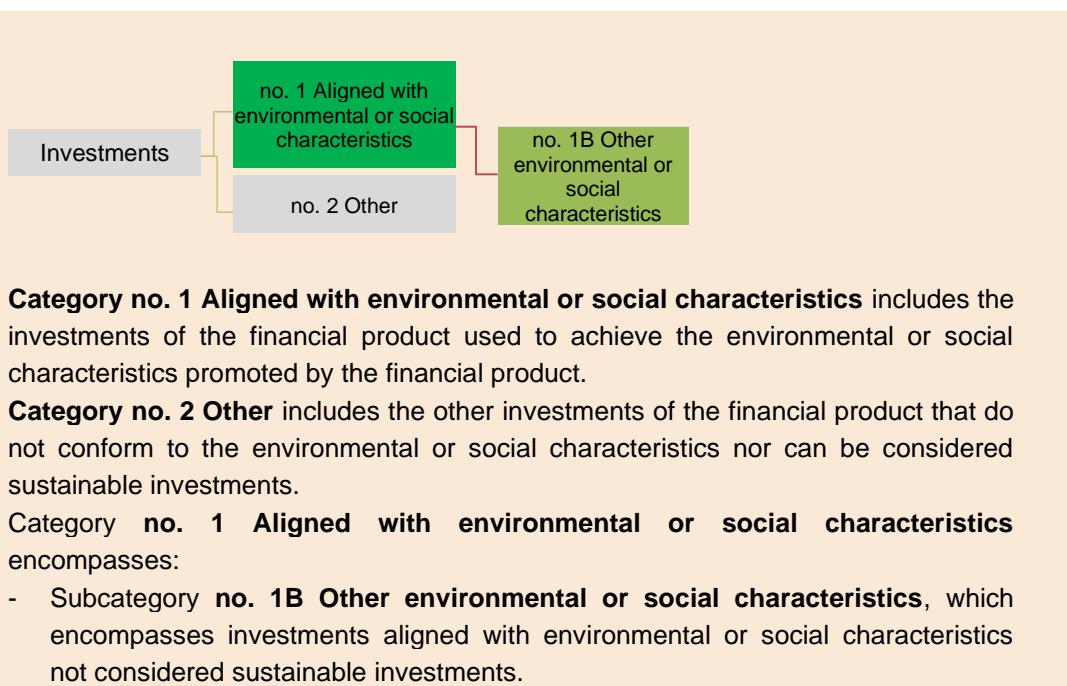
describes the percentage of investments in specific assets.

Activities that conform to the Taxonomy are expressed as a percentage of:

- **Annual turnover**, which reflects the proportion of income of the companies invested in.

- **Investment in capital expenditure (CapEx)**, which shows the environmental investments made by the companies invested in, for example, for the transition to a green economy.

- **Operating expenses (OpEx)** which reflect the environmental operating activities of the companies invested in.



Category no. 1 Aligned with environmental or social characteristics includes the investments of the financial product used to achieve the environmental or social characteristics promoted by the financial product.

Category no. 2 Other includes the other investments of the financial product that do not conform to the environmental or social characteristics nor can be considered sustainable investments.

Category **no. 1 Aligned with environmental or social characteristics** encompasses:

- Subcategory **no. 1B Other environmental or social characteristics**, which encompasses investments aligned with environmental or social characteristics not considered sustainable investments.

- **How does the use of derivatives achieve the environmental or social characteristics promoted by the financial product?**

Not applicable. The Fund does not use derivatives to promote the environmental or social characteristics of its investments.

In order to comply with the EU Taxonomy, the criteria for **fossil gas** include emission



To what extent, at least, are sustainable investments with an environmental objective aligned with the EU Taxonomy?

limitations and the transition to fully renewable energy sources or hypocarbonic fuels by the end of 2035. In the case of **nuclear energy**, the criteria include comprehensive safety and waste management rules.

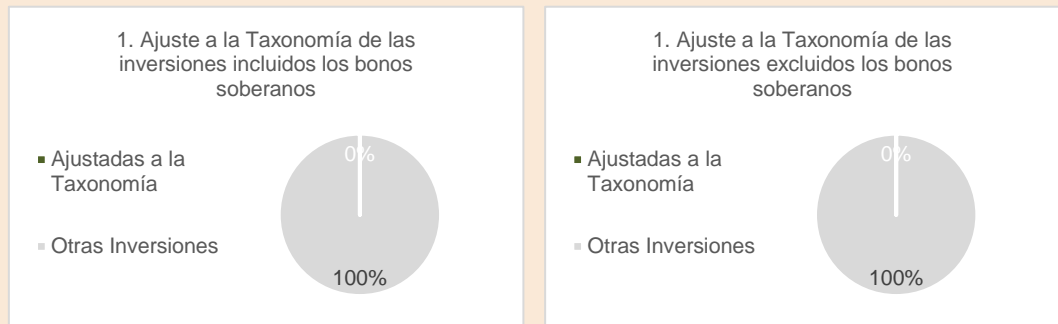
Enabling activities directly enable other activities to contribute significantly to an environmental objective.

Not applicable. The Fund does not have a commitment to making sustainable investments in assets which have an environmental objective alignable with the EU Taxonomy.

- **Does the financial product invest in activities related to fossil gas or nuclear energy that are compliant with the EU Taxonomy?¹**
 - If:**
 - In the fossil gas** **In the nuclear energy**
 - No**

Transition activities are activities for which low carbon-emitting alternatives are not yet available and that, among other things, have greenhouse gas emission levels corresponding to the best results.

The two graphs below show, in green, the minimum percentage of investments in alignment with the EU Taxonomy, since there is no adequate methodology to determine the alignment of sovereign bonds to the Taxonomy*. The first graph shows alignment with the Taxonomy corresponding to all the investments of the financial product, including sovereign bonds, whereas the second graph shows alignment to the Taxonomy only in relation to the investments of the financial product other than sovereign bonds



* For graphic purposes, «sovereign bonds» include all sovereign exposures.

..... sustainable investments with an environmental objective that **does not take into account the criteria** for environmentally sustainable economic activities pursuant to the EU Taxonomy.

- **What is the minimum proportion of investment in transition and enabling activities?**

Not applicable. The Fund does not have a minimum commitment to invest in transition and enabling activities.

- **What is the minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable. The Fund does not have a minimum commitment to invest in sustainable activities with an environmental objective that are not aligned with the EU Taxonomy.

- **What is the minimum proportion of socially sustainable investments?**

Not applicable. The Fund does not have a minimum commitment to invest in socially sustainable activities.

- **What investments are included in «no. 2 Other» and what is their purpose? Are there minimum environmental or social guarantees?**

As regards the remaining 49% of the investments, that will not necessarily be made in companies or assets engaging in an economic activity that contributes actively to the

¹ Activities related to fossil gas or nuclear energy will only be compliant with the EU Taxonomy in those cases where they contribute to limiting climate change («mitigating climate change») and do not significantly harm any objective of the EU Taxonomy (see the explanatory note on the left margin). The full criteria applicable to economic activities related to fossil gas and nuclear energy that are compliant with Delegated Regulation (EU) 2022/1214 of the Commission

promotion of social and/or environmental characteristics, the Fund reserves the right to decide on a case-by-case basis whether said investments will or will not promote environmental and/or social characteristics. Furthermore, all the investments will follow the guidelines described in Bestinver's Principles and Policies, including the investment exclusion policy, which ensures a set of minimum environmental, social and governance safeguards.

Further details in the question "What allocation of assets is envisaged for this financial product?".



[include a note for financial products if a benchmark index has been designated with the aim of achieving the environmental or social characteristics promoted by the financial product]

Benchmark indices are indices for measuring whether the financial product achieves the environmental or social characteristics it promotes.

Has a specific index has not been designated as a benchmark index to determine whether this financial product is aligned with the environmental or social characteristics it promotes?

No specific index has been designated as a benchmark index to determine whether this financial product is aligned with the environmental and/or social characteristics it promotes.

- ***To what extent is the benchmark index continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.

- ***How is the continuous alignment of the investment strategy with the index methodology guaranteed?***

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.

- ***How does the designated index differ from a relevant general market index?***

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.

- ***Where can I find the methodology used to calculate the designated index?***

This does not apply, since the Fund will not make investments with a sustainable objective as defined in Delegated Regulation (EU) 2022/2088.



Where can I find more specific product information?

You can find more specific product information on the website:

[Responsible Investment - Bestinver](#)

[Bestinver Responsible Investment Principles for Infrastructure Assets](#)