cecabank



Statement of non-financial information

For the financial year ended on 31 December 2023



Annex. Non-Financial Information Statement in accordance with Law 11/2018 of December 28 on non-financial information and diversity

Letter from José María Méndez

We are pleased to present the 2023 Non-Financial Information Statement, which includes the progress and achievements achieved by Cecabank in the field of sustainability.

At a global level, fiscal 2023 ends with an improving trend, supported by the moderation of inflation rates and a positive balance of the markets. In the last quarter, expectations that interest rates had peaked increased risk appetite, boosting stock markets and reducing debt yields. Geopolitical conflicts such as the one still ongoing between Ukraine and Russia or Palestine and Israel, as well as tensions caused by inflation, have triggered greater uncertainty in the markets.

In this context, Cecabank has continued to maintain good economic performance, supported by three fundamental pillars: the diversification of our businesses, our robust governance model and the dedication of the professionals who make up Cecabank. This year we have achieved a result of 72.95 million euros, maintaining a high solvency ratio, with a CET1 of 29.3%⁷

. These results have been possible thanks to the effort and commitment of the entire staff and their professional and human quality, which means that every year we strive to achieve the goals we set and that in 2023 we have even surpassed.

Our business lines; Securities Services, Technological Services and Treasury are synergistic with each other, which allows us to provide a more complete and global service to our clients, as well as favoring the balance between our sources of income.

In 2023, in the field of Securities Services, it is worth noting that Cecabank has been chosen for the sixth consecutive year as the best custodian bank in Spain 2023 by the specialized magazine Global Banking and Finance Review and at the end of the year. Likewise, we have consolidated our leadership position in the national market, with a volume of more than 300,000 million euros under custody. This makes us the Iberian leader also in depository (investment, pension and venture capital funds), where we have reached a deposited assets that amounts to more than 220,000 million euros, exceeding the previous maximum recorded by more than 5,000 million euros in December 2021.

In the Technological Services line, in 2023 we have reached a volume of nearly 3.3 billion processed electronic banking operations and 1.4 billion with cards, with hardly any incidents, which has once again placed us in a privileged position in the market.

For its part, the Treasury business has exceeded the income target set at the beginning of the year by 153%, all despite the high volatility of the environment, with an increase in the financial margin thanks to the good performance of fixed income and variable. In this line of business, new services have been launched, such as the activity of lending lines of credit to venture capital funds, which has been very well received by our depository clients and encourages greater loyalty.

It has also been a year of great relevance in terms of Sustainability. The 2022-2024 Sustainability Plan, which accompanies our Strategic Plan, has allowed us to advance in key areas in its 4 defined blocks of action: People, Planet, Governance and Prosperity.

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⁷ As of September, 2023



In the area of People we have worked on our Crece+ Plan. In 2023, our focus has continued on strategic issues for the bank such as attracting talent, the development and specialization of our professionals, with the deployment of training itineraries in areas such as technology, cybersecurity or sustainability and the start of initiatives of our Culture Plan. It is worth highlighting the signing of our third Equality Plan and obtaining, for yet another year, the Family Responsible Company certification, awarded by the Más Familia Foundation.

This 2023 we have continued with our social action program, which is part of our hallmark and reinforces the pride of belonging of our employees. In 2023 we have celebrated the IX edition of the You Choose program. This initiative allows all of us who work at Cecabank to vote for a solidarity project that receives a subsidy from the bank. In this edition, a record staff participation figure of 88.68% was reached.

In the Planet block, we have once again achieved significant reductions in our consumption and emissions of Greenhouse Gases, reaching a 98% reduction in the latter, compared to 20178, the year in which we began to measure and manage this indicator. In addition, this year 2023 we have worked on the methodological development of calculating the carbon footprint of our portfolio, specifically in the field of investments, aligning ourselves with the best practices to achieve the joint objective of net zero emissions in the year 2050.

In the area of Governance, I would like to highlight the updating and review of our policies linked to sustainability, in order to align them with the best market practices and the current context of our entity.

At Prosperity, our efforts to continually improve have paid off. In 2023, we have improved our customer satisfaction, having reached 8.7 out of 10 in this indicator. Additionally, each of the entity's businesses has worked to incorporate ESG aspects into its model. Our ambition in this area is to be the reference partner, accompanying our clients in their transformation process towards a sustainable economy.

We all face a major challenge. The objective is, neither more nor less, to undertake a structural transformation of the economic system, to adopt a productive model compatible with the preservation of the environment and responsible economic activity. At Cecabank we are aware that the financial system is at the forefront of this change. That is why we maintain our commitment to sustainable finances and compliance with the highest sustainability standards, through our businesses, our ways of working and the entity's culture.

Cecabank in Figures: 2023 at a Glance

Prosperity:

- Total Assets: 14,630 million euros

- Total Equity: 1,290 million euros

Net Income: 72.95 million euros

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⁸ Range 1+2



- CET1 Ratio⁹: 29.3%

Business:

- Securities Services: Deposited assets: >220,000 million euros: Assets under custody >300,000 million euros and award seal for the best custodian bank of 2023
- Treasury: Public treasury market maker; leaders of the wholesale market for foreign currency in Spain in banknotes; More than 12,000 bank branches served directly
- Payments and Technological Platforms: 1,425 million card operations processed; more than 80 countries; Number of electronic banking operations: 3,354 million

People:

- 466 employees in Spain
- 50% female and 50% male workforce
- 100% permanent contracts
- 985 euros per employee spent on training
- 3,917 euros per employee invested in social benefits
- 100% of employees covered by collective agreement
- "Tú Eliges": 100,000 euros in social programs

Planet:

- Carbon neutral in own operations
- 270 tCO2 offset in 2022
- 98% reduction in emissions since 2017¹⁰ 10
- ISO 50001:2018 certification

Governance:

- 89% compliance with Sustainability Plan
- 0 reports in the ethical channel
- UNE 19601:2017 certification for Compliance with Criminal Law

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⁹ As of September, 2023

¹⁰ Range 1+2



- 100% of employees trained in cybersecurity
- 82.4% local procurement

1. Get to know Cecabank

1.1. Our business model

Transforming the present with the best solutions for a sustainable future

Cecabank is a Spanish wholesale bank that offers innovative financial solutions and accompanies its clients in achieving their business objectives.

We have a presence in major European financial centers. Based in Madrid, we have an External Network consisting of an operational branch in Lisbon and representative offices in Frankfurt and London.

The entity's products and services are grouped into four business lines:

- 1. Securities Services: This service includes custody and depositary services for securities, as well as value-added services in the post-trading chain for securities and currencies. Our clients, including investment management companies, pension funds, venture capital entities, and social security funds, benefit from the expertise of the leader in custody services in Spain and Portugal.
 - The business currently operates with more than EUR 300 billion in assets under custody and more than EUR 220 billion deposited in nearly 1,000 investment vehicles managed by more than 40 investment managers.
- 2. Treasury: This business line focuses on operations in major national and international markets for equities, fixed income (public and private), currencies, and derivatives. Our operations are carried out with criteria that ensure ample liquidity and high solvency.
 - The business stands out as a primary dealer of Spanish public debt, actively participating in auctions and syndicates, and providing liquidity in the secondary market. In 2021, Cecabank was designated by the European Union as a member of the European Primary Dealer Network.
- 3. Payments and Technology Platforms. Payments, comprising card payment processing services throughout the chain, processing in payment chambers and schemes, digital payment solutions (payment gateway, customer authentication, DCC solutions, etc.) and digital platforms and FX platform, for which we have an international payments service with currency exchange that provides high added value to our customers. Technological platforms, which include digital banking solutions, treasury services, risk and reporting and technological outsourcing, where we provide outsourcing services of technological infrastructures for financial institutions, insurance companies and fintech, in accordance with banking regulations.

In addition, Cecabank provides associative services to support the proper functioning of the CECA banking association, focused on the dissemination, defense, and representation of the interests of its member entities.

More information about Cecabank and the services we offer can be found on the entity's corporate website. 11

In 2023, the entity continues with its Strategic Business Plan for 2022-2024, which is committed to transformation to consolidate growth. This Strategic Plan, approved by the Board of Directors, establishes the business model that incorporates the businesses described, three growth vectors, which includes the ESG vector and three facilitators necessary in the transformation process (Human Resources, Technology and Governance).

The Strategic Plan has set financial and non-financial objectives. Among the non-financial objectives are those related to strengthening leadership, maintaining quality levels, transforming talent and technology,

¹¹ https://www.Cecabank.es



as well as meeting the expectations of interest groups in the three basic pillars of sustainability (Environmental, Social and Government).

In parallel to the Strategic Plan, Cecabank launched three ambitious plans on three levers that are key to achieving the business objectives: Technology, Talent and Sustainability.

Technology Plan	This is an ambitious and complex plan with the objective of transforming technology to achieve greater maturity and have the necessary technological capabilities, driving the business, generating efficiency and enhancing resilience. In 2023, the transformation of the technological infrastructure stands out, with the acquisition of two next-generation IBM z16 servers that will provide the entity with pre-quantum cryptographic capabilities, improvements in transaction processing and the reduction of energy consumption, betting on sustainability. In general terms, at the end of 2023, 70% of the initiatives included in the Plan have been addressed, including all those that were classified as high priority, and are being executed in accordance with the planned plans.
"Crece" Plan +	CRECE + is defined as the Plan that allows Talent Management to be the Facilitator of the Transformation of Cecabank and it integrates different initiatives that aim to advance in the different phases of the Human Resources management cycle, promoting growth and professional development of its employees, giving them the opportunity to learn about new ways of working, acquire knowledge in different areas, enhance their development, facilitate personal and professional conciliation, generate and share our values, promote initiatives that favor equality, renew our talent and make our processes more efficient. Throughout 2023, the deployment of actions and initiatives specific to the CRECE + Plan has continued, a project that allows Talent Management to be the Facilitator of the Transformation of Cecabank and an essential lever for achieving the objectives of the entity's Strategic Plan. During this period, said Plan has focused on strategic issues for the bank such as attracting and developing new talent, promoting female leadership, deploying specialized training itineraries (Cybersecurity, Technology, Criminal Risk and Sustainability), signing of the third Plan.
Sustainability Plan	Structured in 4 work blocks and 70 actions, with three fundamental objectives: consolidate our leadership in the market, orient our ESG service proposal, anticipating the needs of our customers and generate a positive impact on our environment and Stakeholders. It is a transversal plan in which 100% of the Bank's areas participate and which, in 2023, has achieved a compliance rate of 89%.

1.2. Our corporative culture

Mission

To support financial institutions and other corporations with the experience of a Spanish wholesale bank with international projection.



Vision

- Cecabank aims to consolidate its leading position as a custodian bank and provide specialised solutions for all types of financial institutions and national and international corporations.
- To accompany its customers, building lasting relationships, so that every decision is the result of mutual trust.

Our values:

- Specialisation: our financial, technological and business expertise makes it possible to offer our clients solutions with high added value for their business.
- Solvency: Cecabank's capital ratio is among the highest in the market.
- Commitment to our customers, shareholders, employees and all our stakeholders.
- Sustainability: Through a responsible business model, our commitment to sustainable finance and our environment.

For Cecabank, corporate culture and values are a priority and form part of our behaviour, our way of relating to customers and the bank's internal policies.

Cecabank's new strategic framework incorporates the challenge of defining a common and shared purpose and fostering new values with which customers, employees and governing bodies feel strongly identified and committed.

The new talent incorporated into the company and Cecabank's ambition to define a common and shared purpose with its stakeholders has led the bank to work on the Culture Model. This project began in 2022 and forms part of the Crece + Plan. The aim is to raise awareness, disseminate and comply with the new values defined for Cecabank, identify the necessary cultural changes and implement specific actions to successfully address the transformation proposed in the new strategic period.

In 2023, progress has been made in this culture model, starting work groups and reflections in each case. It is worth highlighting the progress made in the "effective meetings" group, which has established guidelines to make meetings more efficient, as well as outreach and awareness-raising efforts for employees. Additionally, the corporate ethics working group has begun the necessary reflection to update Cecabank's Code of Conduct to the new context in which the entity finds itself.

1.3. Our approach to sustainability management

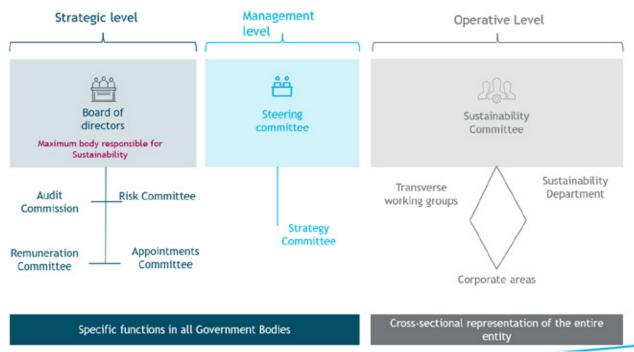
Cecabank has implemented a sustainability management model that allows us to incorporate social, environmental and governance aspects in the development of our activity. As members of the financial sector, we understand that our role in the transformation towards a sustainable and low-carbon economy is of great relevance, supporting activities that favour the transition, and contributing to the construction of an inclusive economy, with low environmental impact and positive impact in the social environment.

Cecabank has a strong banking tradition linked to the social dimension, which is complemented by its vocation for the future, where we seek to establish lasting and trusting relationships with our stakeholders.

ESG Governance Model

Cecabank has a governance structure at the highest level that is structured transversally throughout the entire entity at different levels.





Sustainability is articulated at Cecabank under a solid governance model structured at three levels: A strategic level where the Board of Directors is the highest responsible body, which relies on the Audit Committee to supervise these aspects and adds specific functions in all Government Bodies.

The Board of Directors is responsible for overseeing internal and external sustainability commitments. These include those assumed in the Sustainability Policy, the Corporate Code of Conduct, the Risk Tolerance Framework, supervisory expectations or regulatory commitments.

- Audit Commission: It is the body designated by the Board of Directors to supervise compliance with the internal and external commitments assumed by the entity, such as those established in the Sustainability Policy, as well as the supervision of the Sustainability Plan.
- Risk Committee: supervises all aspects related to ESG risks, with special attention to environmental
 and climate risks.
- Appointments Committee and Remuneration Committee: they monitor ESG aspects within their scope of competence.

At management level, the Steering Committee primarily supervises the ESG aspects reported by the Sustainability Committee. Other Committees such as the Compliance and Operational Risk Committee, the Strategy Committee or the New Products Committee supervise specific aspects such as the sustainability initiatives proposed within the ESG growth vector or how ESG analysis is incorporated into the evaluation of new products.

In section 5.1. Good Corporate Governance provides greater detail on the responsibilities, composition and performance in 2023 by the Governing Bodies.

Finally, at an operational level, the Sustainability Committee articulates all the actions carried out in this matter. This Committee is made up of representatives from all corporate and business areas and reports directly to the Management Committee and the Strategy Committee. He is responsible for, among other functions, defining ESG initiatives, monitoring the Sustainability Plan, and coordinating transversal activities within the organization.

- Internal Audit
- General Secretariat



- Association Services and Resources Area
- Planning Area
- Risk and Compliance Area
- Securities Services Area
- Technological Services Area
- Financial Area

During 2023, the Sustainability Committee has met on 3 occasions and has discussed matters related to:

- Monitoring of the Sustainability Plan, key ESG indicators and other complementary actions carried out. New business proposal: ESG growth vector.
- Monitoring of Corporate Reporting.
- Review of aspects related to Climate Risk and supervisory expectations.
- Monitoring of regulatory developments.
- Progress in transversal work groups.
- Aspects related to social impact, alliances and sector participation.

For its part, Cecabank's Sustainability department is responsible for energizing, coordinating and executing, when appropriate, ESG actions in our entity, providing transversal support throughout the organization.

Sustainability Policy

The entity's Board of Directors approved its Sustainability Policy in 2019. This document aims to ensure lasting relations between the entity and its stakeholders, maximising the creation of value. In this regard, the entity identified those areas of action that contribute to this effect. The Sustainability Policy establishes 5 objectives on which our management model is based.



In 2023 and as part of the actions planned in the Sustainability Plan, the entity has begun a reflection process to update its Sustainability Policy and align it with the entity's new commitments and objectives, as well as with the best practices identified. The new Policy is currently in the approval process and is expected to be published during fiscal year 2024.

Objective 1	Objective 2	Objective 3	Objective 4	Objective 5
Support for the	Align business and	Monitoring and	Search for new	Stakeholder
Strategic Plan	corporate governance	implementation	opportunities	relations
	with the responsible	of best practices		
	practices of our	Search for new		
	partners and customers	opportunities		
		Our tools		
Sustainability is	We seek to align	Beyond the	The ESG growth	Cecabank seeks
one of the values	ourselves with best	regulatory	vector	to maintain
of the bank's	practices and	sphere, Cecabank	incorporated in	lasting
Strategic Plan, as	benchmark standards in	seeks to adapt its	the Strategic	relationships
well as one of its	Sustainability,	model to the best	Plan seeks to	with
growth vectors,	responding to the	market practices,	identify and	stakeholders by
seeking to drive	demands of our	voluntarily	seize	generating
the	stakeholders in a	submitting to	opportunities and	shared value
transformation of	proactive manner	greater	respond to the	
the financial		requirements	potential needs	
sector towards an			of our customers	
ESG model			in the area of	
			sustainability	

Alliances and commitments

Cecabank is firmly committed to achieving the SDGs. The United Nations 2030 Agenda for Sustainable Development sets the Objectives for the year 2030 and proposes solutions to global priority problems, establishing 17 Sustainable Development Goals (SDGs) and 169 specific targets as a framework for action.

By conducting our business responsibly, we are contributing to the achievement of these Goals, to which we are strongly committed. In addition, the Sustainability Plan has been aligned with this universal framework. The SDGs where the greatest impact has been identified are:

- SDG 5: Gender equality

Cecabank is committed to gender equality. It has an equality plan, as well as a work-life balance programme for the bank's employees. In this regard, it is worth highlighting the EFR (Family Responsible Company) certification, which accredits quality in employment, work-life balance, equal opportunities and professional development.

In 2023, progress continued to be made in this area through detailed studies on the gender gap, diagnosis of the situation, and training actions to raise awareness and provide information for the entire workforce.

SDG 8: Decent work and economic growth

Cecabank has a set of internal policies and regulations that guarantee the rights of its employees. Cecabank works to protect the labour rights of its employees, as well as to maintain good working conditions for its employees.



In terms of economic growth, the bank maintains high levels of solvency. Cecabank's capital ratio is among the highest in the market, which favours stability and transmits security to the market.

- SDG 10: Reducing inequalities

Cecabank is an institution with a strong tradition of social contribution. The bank implements numerous initiatives in collaboration with social organisations aimed at improving the quality of life of disadvantaged groups, as well as promoting culture and environmental protection.

- SDG 13: Climate action

Although the bank's direct environmental impact can be considered insignificant, Cecabank works actively to minimise its direct impact, improving efficiency in the use of resources in its facilities, as well as calculating, reducing and offsetting its carbon emissions. The bank has currently implemented an Energy Management System in accordance with ISO 50.001, achieving significant reductions in energy consumption.

In addition, Cecabank has worked in 2023 to calculate its indirect impacts by measuring the carbon footprint of its investments, including both public and private fixed income and equities.

- SDG 16: Peace, Justice and Strong Institutions

Cecabank is a critical infrastructure in Spain that aims to ensure the stability of the Spanish financial system. Ethics, transparency and good corporate governance are Cecabank's hallmarks, which enable it to maintain relationships based on trust.

Cecabank maintains high standards in terms of ethics, compliance, prevention of corruption and bribery throughout its operations. In addition, it voluntarily assumes the best practices and recommendations in the area of corporate governance.

Cecabank has built a network of alliances in which it seeks to contribute to the collective debate, participate in the issues of the financial sustainability agenda (both national and international) and promote platforms for exchange and dialogue.

In 2023, the bank was part of the following initiatives:

- Global Compact (through the Spanish Global Compact Network): in 2023, we renewed our commitment to the Global Compact and its 10 principles. Cecabank has also continued to work to disseminate the 17 Sustainable Development Goals of the United Nations.
- Spainsif: is a non-profit organisation that promotes Socially Responsible Investment (SRI), fostering corporate responsibility, the integration of environmental, social and good corporate governance criteria through dialogue between different groups.
- Forética: association of companies and professionals in corporate social responsibility and sustainability operating in Spain and Latin America, whose mission is to promote the integration of social, environmental and good governance aspects in the strategy and management of companies and organisations.
- Seres Foundation: Seres promotes the commitment of companies to improving society through responsible actions aligned with the company's strategy and generating value for all.

In addition, the bank is committed to various initiatives in this area:

 Cecabank joined the "Business Leaders' Declaration for Renewed Global Cooperation" at the invitation of Sanda Ojiambo, who in June 2020 was appointed by the UN Secretary-General as the new Executive Director of the Global Compact.



- In December 2019, during COP 25 in Madrid, Cecabank joined the "Collective Commitment to Climate
 Action" promoted by UNEP FI, in which it committed to reduce the carbon footprint of its balance
 sheets in line with the Paris Agreement.
- In 2020, Cecabank joined the Green Recovery Alliance, an initiative promoted by Pascal Canfin, chairman of the European Parliament's Environment Committee, which seeks a global pact to end the pandemic and promote a sustainable economic recovery.
- Through CECA, we support the UNEP FI Principles for Responsible Banking.

Sustainability Plan

The 2022-2024 Sustainability Plan, approved by the Board of Directors in 2022, aims to accompany the entity's Strategic Plan to consolidate growth and sets three objectives.

A total of 4 blocks, 10 lines of work, 70 actions and more than 360 milestones make up this work plan designed to respond to two aspects: what is Cecabank?, with the People, Planet and Governance blocks and what do we offer? to the market?, which includes the Prosperity block.



The Plan has been designed considering our impacts on the environment as well as the ESG aspects of our business model, taking into account potential risks and opportunities:

- Bet on talent: human capital as a differential value of the entity: diverse, committed and specialized.
- Social impact: contribute to sustainable development in our environment, with the participation of our employees, generating pride of belonging.
- Climate change and environmental management: advance best practices and respond to the commitments made regarding climate-related risks and objectives, as well as achieving maximum efficiency in the management of direct environmental impacts.
- Culture of sustainability: consolidate the ESG governance of the organization, integrating the new corporate value transversally in the entity.



- Good governance, ethics and compliance: comply with the best practices in corporate governance, ensuring compliance with legal requirements and assumed corporate commitments.
- Supply chain: alignment of our suppliers with the values and objectives of Cecabank.
- Cybersecurity: stay at the forefront of cybersecurity.
- Excellence: through innovation and digital transformation and maintenance of satisfaction levels.
- Sustainability as a vector of growth: anticipation of our clients' needs in ESG matters.
- Solvency: achieve the solvency levels established for the strategic horizon (2022: 24-25%).

In 2023, the Sustainability Plan has reached 89% compliance with the established milestones.

Block	Relevant actions carried out
People	 Analysis of new indicators regarding equal pay. Formation of transversal work groups to advance corporate culture. ESG awareness and training plan for the entire workforce. Development of new policies in areas such as volunteering or Human Rights (in the approval process). Preparation of the first Climate and Environmental Risks report.
	 Monitoring and progress regarding supervisory expectations regarding Climate and Environmental Risks. Methodological development and measurement of the Carbon Footprint of the investment portfolio. Progress in the work groups to comply with voluntary aspects for the entity: environmental taxonomy, where Cecabank has begun with the calculation of eligibility and alignment for the year 2023 and in environmental management, where work is being done to implement a management system based on the ISO 14001 standard.
Governance	 ESG training plan for Governing Bodies Development of ESG content on the corporate website and intranet for employees. Incorporation of ESG aspects into the work plans of the Governing Bodies. Start of work for the development of a responsible and sustainable investment policy (currently in the approval process).
Prosperity	 Development of the Objective Quality measurement system. Implementation of quality improvement plans at the entity level. Implementation of a new Customer Experience platform, to manage the process, exploit and distribute the data.



 Progress in the growth vector: In 2023, different ESG business
development proposals have been evaluated in the Sustainability
Committee and the Strategy Committee.

The Sustainability Committee is in charge of promoting and monitoring the progress of the Sustainability Plan, as well as reporting to the Governing Bodies. To facilitate the monitoring and supervision of these aspects, the entity has established a scorecard of ESG indicators, complementary to the essential scorecard of non-financial indicators established in the Strategic Plan. Through the complementary scorecard, the evolution of the entity is monitored in all the aforementioned lines of action that make up the Sustainability Plan. Throughout 2023, the Governing Bodies have monitored these indicators within the scope of their powers.

Work plan for the definition of the Sustainability Plan: Materiality

The entity prepared its latest materiality study in 2021 as part of the strategic reflection initiated within the framework of the Strategic Plan and the 2022-2024 Sustainability Plan. From this study, a list of material aspects for Cecabank has been obtained and their prioritization based on the importance they have for business objectives and interest groups.

Cecabank used its own 3-step methodology, based on the recommendations of the GRI (Global Reporting Initiative) standard and other best practices and recommendations.

1.	2.	3.
Review of Stakeholders, communication channels and expectations	Identification of relevant aspects: Internal and external analysis	Materiality matrix and impact analysis

Review of Stakeholders and established communication channels:

Cecabank seeks to maintain long-term relationships with our stakeholders, as established in our Sustainability Policy. Maintaining a fluid dialogue with each of them is a fundamental part of our management model. which seeks to identify their needs, requirements and expectations, as well as efficiently communicate our performance and response to their requirements.

In 2023, Cecabank has updated its map of interest groups, integrating the detailed identification that the entity carries out in each of the business areas. This new map identifies groups at 3 levels of aggregation and serves as a basis for establishing action plans and improving relationships with them.





Process for identifying relevant aspects

Cecabank identified relevant aspects through an internal and external analysis in which issues of interest for the sector and for the entity, ESG trends and commitments undertaken were identified. Depending on the availability of information, this analysis was carried out incorporating the medium-long term perspective.

From this analysis, a total of 15 themes were identified as relevant for the current strategic period.

Internal analysis, where the following were analysed, among others:

- The strategic priorities of the new period where sustainability is incorporated as a corporate value, Objective and within the entity's growth vectors.
- The commitments assumed by the entity with its stakeholders in ESG matters: through policies, codes, regulations and working procedures, as well as the mission, vision and values that define and describe Cecabank's behaviour.
- Information obtained through communication channels with stakeholders: questionnaires, interviews, committees, among others.

External analysis, where the following were analysed, among others:

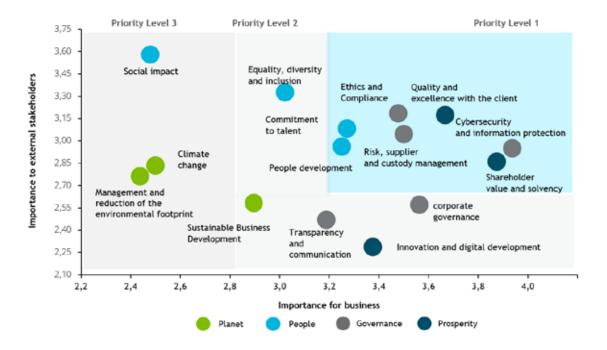
- Demand for ESG information and transparency: sustainability standards, analysts, media analysis, among others.
- Trends in sustainability and sectoral best practices.
- Current regulations and ongoing regulatory initiatives in sustainable finance and sustainability.



Process of prioritisation of material aspects and preparation of the materiality matrix

The process of prioritizing relevant topics also took into consideration the internal and external perspective. According to this, the importance of each of the 15 aspects was analyzed based on the recurrence of the themes identified in the interest groups for the external perspective and in the internal analysis carried out by the Management of Cecabank (Steering Committee and Commission of Audit).

The results obtained are represented in the following materiality matrix and are classified into 3 priority levels. As the matrix shows, all the material issues identified are of high importance for the entity and its stakeholders. Priority 1 topics are those related to the strategic aspects of generating value for clients and shareholders, positioning as a trusted third party in the face of the new regulatory and risk management framework, as well as the attraction and retention of diverse, specialized and committed talent.



In 2024, the entity will begin a new period of strategic reflection and, therefore, will work on developing and updating the list of relevant aspects taking into account the new objectives, the new context and the progress made by Cecabank in terms of sustainability.

This analysis is completed with the analysis of impacts and risks and opportunities in priority 1 issues. Cecabank understands that these issues contribute to a greater extent to the creation of long-term value and incorporates a double perspective: impact of the social and environmental environment on Cecabank and Cecabank's impact on the environmental and social environment.



Aspects of priority 1	Environmental impact	Risk and opportunities	Cecabank's response
Cybersecurity and Information Protection	Information protection and cybersecurity are key to ensuring business objectives and positioning with stakeholders, generating confidence in regulators, investors, customers and society. To maintain Cecabank's high level of performance and given the rapid evolution of these aspects, it is necessary to constantly invest in new cybersecurity solutions and in training for the specialisation of the human team.	The bank's good performance in these aspects has a direct impact on stakeholders, as it enables it to maintain the trust of regulators, customers, associates, etc. in Cecabank and protect their interests. For their part, employees and suppliers perceive a high level of demand and need for specialisation. Impact on SDGs 8 and 9.	 Cybersecurity Plan. Continuous training and information for employees. Continuous monitoring of indicators by senior management.
Shareholder Value and Solvency	Generating value and retaining the trust of customers and shareholders is essential for Cecabank, which is why one of its strategic objectives is to maintain a high level of solvency.	Maintaining a good performance in this aspect has an impact on all of the entity's stakeholders, generating value, wealth and security for them. Impact on SDGs 8 and 11.	 Strategic Plan. Risk Management Framework and model based on 3 lines of defence.
Quality and Customer Excellence	Customer satisfaction is a priority for Cecabank. The good performance of this aspect has enabled it to build customer loyalty and increase its customer base, favouring long-lasting relationships based on trust. However, maintaining the current level requires investment in innovation, training and implementation of continuous improvement plans.	Offering a service based on excellence to customers has a direct impact on building long-term relationships and satisfying their demands. In the rest of the stakeholders, the impact on shareholders stands out, where quality and excellence translate into greater profitability. In turn, employees and suppliers perceive a high level of demand and need for specialisation.	 Quality Management Systems. Continuous communication with clients. Training and specialisation of employees in different areas. Customer Service Department (SAC).



Aspects of priority 1	Environmental impact	Risk and opportunities	Cecabank's response
Ethics and Compliance	Cecabank applies the highest standards of good governance, ethics, compliance and responsibility, both among its professionals and in its relations with its stakeholders. This enables it to establish lasting relationships based on trust. It also minimises reputational and criminal risks, which are already considered by the bank in its risk model.	Maintaining corporate requirements in terms of ethics and compliance generates relationships of trust with the entity, as stakeholders identify alignment with its values and objectives. We highlight employees, who enhance their sense of belonging. In addition, this behaviour has an impact on increasing shareholder value, as it reduces the likelihood of occurrence of criminal and/or reputational risk events. Impact on SDGs 8, 10 and 16.	 Criminal Compliance Management System. Corporate Code of Conduct and its complaints mechanism.
Risk management, suppliers and custody	Adequate management of these aspects enables a stable, recurrent and value-oriented earnings structure to be maintained in order to ensure the entity's orderly growth in the long term, as well as maintaining adequate capital planning and maintaining resources to meet its commitments in the short and long term. Otherwise, the materialisation of unmanaged risk events could lead to a reduction in performance.	The management of this aspect has a direct impact on shareholders, as proper risk management provides security and protection of their capital. For other stakeholders such as employees or society, this translates into greater job stability and wealth generation. Impact on SDGs 8, 12, 16 and 17.	 Risk Management Framework and model based on 3 lines of defence. Outsourcing Policy and contracting of Services and Functions. Custody function monitoring policy. Risk Tolerance Framework. ESG risk integration.



Aspects of priority 1	Environmental impact	Risk and opportunities	Cecabank's response
Commitment to talent	Cecabank maintains relationships with its employees that favour integrity, respect among people, health and safety at work, professional development, equal opportunities and non-discriminatory treatment, among others. These aspects and the working conditions offered to the bank's employees allow for a low turnover rate and, therefore, greater operational efficiency, reducing the costs associated with attracting and training them.	Cecabank employees enjoy advantageous working conditions in areas such as finance, life insurance, health insurance and work-life balance, among others. The retention of talent in turn ensures good financial results for shareholders and a higher level of service, as a result of high levels of employee satisfaction. Impact on SDGs 3, 5, 8 and 10.	 Plan Crece+. Culture Plan. Family- Responsible Company Certification. 100% of employees under corporate agreement. Communication channels with employees. Remuneration and Social Benefits Plan.
People development	One of Cecabank's corporate values is the specialisation of its human team. To this end, it carries out training plans, and is committed to participation in multidisciplinary projects, favouring the attraction and retention of customers.	Actions in this area have a direct impact on Cecabank employees, enabling them to grow professionally and providing them with the tools to achieve their professional objectives. In turn, specialisation favours greater profitability derived from better results and an improvement in the level of service perceived by customers. Impact on SDGs 4, 5, 8 and 10.	 Plan Crece+ Ongoing training programmes in various subjects and personal skills.



2. People

Responsible talent management and our social commitment are fundamental pieces of Cecabank culture

2.1. Our talent

Talent

Cecabank's Sustainability Plan defines among its lines of action the "commitment to talent", understanding that human capital is a differential value of the entity, and seeking to maintain diverse, committed and specialized talent.

For this reason, the different policies related to talent management establish the principles of equality, integration and non-discrimination in the workplace.

At the end of the 2023 financial year, Cecabank has 466 employees in Spain, to which are added 4 more employees in the foreign branch network (1 employee in Frankfurt, 1 employee in London and 2 employees in Lisbon).¹²

Cecabank's employees in Spain are distributed as follows:

	2022	2023
Women	240	233
Men	232	233
Total	472	466

Distribution by age and level:13

Age Range Women Men **Total** > 50 128 64 64 30 - 50 305 161 144 <30 8 16 24 233 Total 233 466

¹² In the report of the other indicators of the State of Non-Financial Information related to the "Our Talent" section, the data related to employees from offices located outside of Spain have been excluded, which

represent only 0.85% of the total. of Cecabank employees. Also, the 2 Trionis employees are not included.

¹³ The comparison with the year 2022 of the most relevant employee tables can be consulted in annexes II and III.



Professional level	Women	Men	Total
GROUP 1 - LEVEL I	3	5	8
GROUP 1 - LEVEL II	3	5	8
GROUP 1 - LEVEL III	10	17	27
GROUP 1 - LEVEL IV	16	25	41
GROUP 1 - LEVEL V	27	31	58
GROUP 1 - LEVEL VI	42	50	92
GROUP 1 - LEVEL VII	47	33	80
GROUP 1 - LEVEL VIII	48	30	78
GROUP 1 - LEVEL IX	8	4	12
GROUP 1 - LEVEL X	9	9	18
GROUP 1 - LEVEL XI	10	5	15
GROUP 1 - LEVEL XII	8	15	23
GROUP 1 - LEVEL XIII	1	1	2
GROUP 1 - LEVEL XIV	0	0	0
GROUP 2 - LEVEL I	0	1	1
GROUP 2 - LEVEL II	0	1	1
GROUP 2 - LEVEL IV	1	1	2
Total	233	233	466

All Cecabank employees enjoy an indefinite contract¹⁴, 462 work full-time and 4 part-time¹⁵.

During the year 2023, there have been 4 layoffs, 1 woman and 3 men¹⁶. During 2023, there have been 15 new employees¹⁷, 11 men and 4 women.

Total	10	3	4	0	1	3	0	21
Men	3	1	3	0	1	2	0	10
Women	7	2	1	0	0	1	0	11
Gender	ERE	Voluntary severance	Dismissal	Suspension of Contract	pass the probationary period	Voluntary Disengagement	Retirement	Total

made and An

¹⁴ The CEO is linked to the entity by a commercial contract not subject to labor legislation.

¹⁵ Only four of the Directors have a part-time contract when working at CECA and Cecabank.

¹⁶ A comparison of dismissals by sex and age in 2022 and 2023 is attached in the tables in Annex II.

¹⁷ All from Group 1.



			Failure to
			pass the
ntary		Suspension	probationary
ranco	Diemiecal	of Contract	poriod

Age range	ERE	Voluntary severance	Dismissal	Suspension of Contract	probationary period	Voluntary Disengagement	Retirement	Total
> 50	10	0	1	0	0	3	0	14
30 - 50	0	1	3	0	1	0	0	5
< 30	0	2	0	0	0	0	0	2
Total	10	3	4	0	1	3	0	21

Additions

GROUP & LEVEL	< 30	30 - 50	> 50	Total
GROUP 1 - NIV.I	0	0	0	0
GROUP 1 - NIV.II	0	0	0	0
GROUP 1 - NIV.III	0	0	0	0
GROUP 1 - NIV.IV	0	0	0	0
GROUP 1 - NIV.V	0	0	0	0
GROUP 1 - NIV.VI	0	0	0	0
GROUP 1 - NIV.VII	0	6	0	6
GROUP 1 - NIV.VIII	2	3	0	5
GROUP 1 - NIV.IX	0	0	0	0
GROUP 1 - NIV.X	0	1	0	1
GROUP 1 - NIV.XI	0	0	0	0
GROUP 1 - NIV.XII	2	0	0	2
GROUP 1 - NIV.XIII	0	0	0	0
GROUP 1 - NIV.XIV	1	0	0	1
Total	5	10	0	15

Throughout 2023, the deployment of actions and initiatives specific to the CRECE+ Plan has continued, a project that allows Talent Management to be the facilitator of the transformation of Cecabank and an essential lever for achieving the objectives of the entity's Strategic Plan.

The priority initiative of the CRECE+ Plan has been the Talent Acquisition Plan, which is currently more than 97% executed. This Plan has allowed 15 new profiles to be incorporated into the entity in 2023, in this way it has been possible to integrate new multi-purpose and digital profiles, with skills and competencies that guarantee: excellence, innovation, commitment and enthusiasm.

During 2023 there have been 6 internal movements in the entity, of which 1 has been a woman and 5 have been men.

Internal movements

Age range	Men	Women	Total
> 50	4	0	4
30 - 50	1	1	2
<30	0	0	0
Total	5	1	6



Working conditions

Training

Linked to the Strategic Plan and, specifically, to the Crece+ Talent Management initiative, Cecabank's annual Development and Training plan was created, which starts by analysing the needs of our professionals, with the aim of implementing improvements and continuing to evolve so that all of them are prepared for the needs and demands of the market, customers and regulatory bodies. It integrates different areas of knowledge, covering multiple fields such as regulation and standards, finance, IT, digital skills, management, health and wellness, and languages.

During the 2023 financial year, we have reactivated face-to-face training, taking advantage of the return to offices and the new spaces designed for working and training, without forgetting that we now have a hybrid model in which face-to-face work and teleworking coexist, which requires the same bimodality in the training actions we launch.

We have consolidated programs such as Liderar Dejando Huella, whose objective is to develop the management skills of the bank's managers, and Female Leadership, helping to make visible women with projection and talent in the organization. In addition, we have launched new editions of highly valued training courses such as the Digital Transformation Program in the Financial Environment, of which we have held the 6th edition, or the 3rd edition of the Blockchain and Cryptoassets course.

As a novelty compared to last year, in 2023 specific training plans have been carried out for specific and strategic areas of knowledge for the entity: Cybersecurity, Development of cloud systems and Criminal risks. In addition, we have continued to offer content that prioritizes the emotional health of workers.

In addition, and linked to our Talent Recruitment plan, Cecabank has an onboarding programme to welcome new recruits. This programme includes a series of mandatory and voluntary online training courses on aspects such as the Code of Conduct, Cybersecurity, Occupational Risk Prevention, Energy Efficiency, Gender Equality and Diversity, among others, and a face-to-face team building session with augmented reality in which aspects of collaboration, uncertainty management and high-performance teams are worked on.

During 2023 we have increased the range of content on offer, as well as continuing to promote in-company specialisation programmes, demonstrating that this approach means greater adaptation to our needs, a reduction in training hours and an increase in budget efficiency, without reducing the quality of the programmes or the level of student satisfaction. Throughout this process, we continue to rely on our Learning Cloud platform, which is integrated with the training website, where all the training activities carried out by professionals working at Cecabank are recorded. It also integrates all this activity into their curriculum and allows managers to view the courses requested by their teams and their current status.

For the third consecutive year we have renewed our alliance with the "Empowering Women's Talent" program and with "Diversity Leading Company", thus reinforcing our objective of raising awareness throughout the organization about the wealth of having diverse workforces, as well as promoting the emergence of female talent to positions of responsibility.

When designing the training plan, the pillars of sustainability are also taken into account, which is why we design courses in the three areas; environmental protection, economic growth and social development.

Within the environmental area we seek to raise awareness among our employees and to do so we have courses such as energy efficiency that gives them keys to contribute to this challenge when they are in the office, or sustainability that explains how to live sustainably by avoiding behaviors harmful to the planet.

In the economic field we have courses on sustainable investments, aspects of governance and code of ethics, and everything related to cybersecurity and anti-corruption.

Lastly, we do not forget the social aspects, which at Cecabank we take special care of and in a very transversal way, proof of which is the Equality Week and the Healthy Week that we celebrate every year.



In addition, the training catalog has a wide offer, including different courses on personal, physical and emotional care, such as Mindfulness, disconnection digital, feel good, increase your vitality and everything related to the prevention of labor and psychosocial risks in the workplace, as well as issues of diversity and inclusion, gender equality and identification of biases.

Below are the training hours distributed by professional category according to the agreement, which amounted to a total of 19,505 hours in 2023:

HOURS OF TRAINING BY LEVEL¹⁸

	ı	П	Ш	IV	٧	VI	VII	VIII	IX	Χ	ΧI	XII	XIII	XIV	Total
Group 1	215	444	1.043	1.645	1.991	3.344	4.394	2.588	351	855	632	1.780	61	0	19.343
Group 2	5	10	0	147	0	0	0	0	0	0	0	0	0	0	162
Total															19.505
Descriptio	n of th	e ind	licator				Indicat	or Units	5			2022		2	2023
% of higher and medium university graduates (Engineers, graduates or diploma holders) Percentage (%) 88% 90%															
Employee	trainin	g hou	rs Ceca	bank Sp	oain		Hours p	er emp	loyee			41		4	12
Investment	in em	ploye	e train	ing in S	pain		Euros p	er empl	oyee			88319	€	ç	985 €

As part of Cecabank's commitment to promote employment and renew internal talent, we have renewed for another year the collaboration with university centers and business schools to carry out university internships, formalizing 8 end-of-degree scholarships. In November we launched the third edition of the Nido Program, with an excellent reception from institutions and students. In total, 10 students have joined the internship program, joining the 18 young people from the two previous editions. For 9 months they will receive specific training and will be able to collaborate in the entity's operations, participating in its daily activity.



Remuneration

Cecabank has a General Remuneration Policy, approved by the Board of Directors, which establishes, among other aspects, the general principles of the remuneration system, as well as its essential characteristics, the specific requirements of each group and the governance model.

For the calculation of the remuneration data, as well as for the calculation of the salary gap, the data of 100% of the staff who have provided services for the Entity during the year 2023 through an employment relationship have been taken into account, applying the methodology established by the Ministry of Equality through its tool for the calculation of the remuneration register ²⁰

in accordance with the obligation established in article 27 of the Workers' Statute.

The average remuneration by gender, age and level of professional category according to collective agreement and according to differentiation between group 1 and group 2 is shown below.

¹⁸ The comparison with the year 2022 of training hours can be seen in Annex III.

¹⁹ The 2022 figure has been recalculated due to an adjustment in the criteria for calculating expenses.

²⁰ https://www.igualdadenlaempresa.es/asesoramiento/herramientas-igualdad/home.htm.



Average remuneration by gender	2022	2023
Men	80,708€	87,677€
Women	66,783€	71,465€
Total Average	73,732€	79,537€
Average remuneration by professional category	2022	2023 ²¹
Level I	227,860€	275,291€
Level II	123,640€	170,953€
Level III	151,300€	157,011€

89,491€

87,219€

73,470€

62,217€

53,061€

55,640€

40,532€

35,145€

29,818€

- 23

100,047€

87,512€

78,694€

65,294€

58,851€

50,814€

48,212€

44,641€

37,691€

31,623€

Level IV

Level V

Level VI

Level VII

Level VIII

Level IX

Level X

Level XI

Level XII

Level XIII

Level XIV

21	-

²¹ There are 4 employees of professional group 2 (various occupations) who have been excluded in the 2023 calculations for confidentiality reasons, since they do not correspond to any of the mentioned categories.

²² Due to confidentiality issues, salary information for this category is not included, since it is made up of a single person.

²³ Due to confidentiality issues, salary information for this category is not included, since it is made up of a single person.



Average remuneration by age group	2022	2023
<30	29,246€	35,908€
30-50	71,830€	76,216€
>50	83,444€	91,311€

Cecabank has proceeded to calculate the salary gap taking into account the average effective remuneration by sex. In 2023 the wage gap was 18% (17% in 2022).

Additionally, in 2023 Cecabank has carried out a study to calculate the adjusted wage gap indicator in order to know and measure whether men and women receive equal remuneration for equal or substantially similar work. That is, if both groups receive the "same salary for the same work."

The calculation of this indicator requires the development of econometric models with regression analysis after taking into account certain factors that affect remuneration such as position, experience, different schedules, etc. For 2023 the adjusted wage gap was 4.5%.

At the end of the year there are 10 directors at Cecabank, including the CEO, of which 7 are men and 3 women. Cecabank's non-executive directors only receive, through their role as directors, the entity's income from attendance fees for both the Board of Directors and the Committees. In fiscal year 2023, the average amount charged by each director was 33,968 euros for men (in 2022 it was 34,828 euros) and 67,941 euros for women (in 2022 it was 57,931 euros), depending on the sessions to which they attended. However, one of the directors does not charge fees for attending the Council or the Committees.

Regarding Senior Management, Cecabank has 7 executives²⁴, of which 4 are men and 3 are women. The average remuneration amounted to 241 thousand euros in the case of women (201 in 2022) and 300 thousand euros in the case of men (207 in 2022).

The representation of women in Senior Management and on the Board will tend to evolve upwards in order to achieve a balanced presence of men and women, taking into account any vacancies that may arise.

Social Benefits

Cecabank offers social benefits for its employees in order to motivate, retain and build employee loyalty.

The main social benefits that Cecabank offers its employees are as follows:

The investment per employee in social benefits made by the entity in 2023 amounts to a total of 3,917 euros.

In addition, since 2018 Cecabank has had a flexible remuneration plan for its staff members that allows them to contract products and services with preferential conditions and in some cases with tax benefits, when tax regulations so provide.

Currently, the products that form part of the Ckb.Flex flexible remuneration plan are as follows:

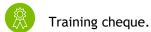
- Preferential financial conditions.
- Pension Plan for all members of staff.

 24 Cecabank has 7 executives, excluding the CEO who is linked to the entity by a commercial contract not subject to labor legislation.



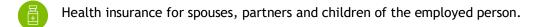
- Group life insurance.
- Health care policy for staff members.
- Childcare and training allowances for staff members' children.
- Aid for the employee's own training.
- Christmas gift for staff members' children.
- Christmas hamper.











The implementation of Ckb.Flex has been firmly consolidated in the workforce in such a way that 62% have at least one product contracted through the flexible remuneration system, with the total number of products contracted at the end of fiscal year 2023 being 701 contracts.

The most popular are the following:

- Health insurance for employees' family members: 54% of staff members take out health insurance.
- Transport card: contracted by 19 % of the workforce.

Likewise, the possibility of applying this system to the financing of training actions is becoming more and more widely known among the institution's staff.

Work-life balance and equality

Work-life balance

As part of the Human Resources Plan linked to the 2022-2024 Strategic Plan, the bank has promoted the implementation of a flexible working hours and teleworking system of flexible working hours and teleworking through the signing of two agreements between the entity and the legal representation of employees (RLPT), thus favouring the reconciliation of the personal, family and working life of its staff.

The teleworking agreement came into force on January 1, 2022 and complies with all the requirements that the Remote Work Law establishes, applying at Cecabank regardless of whether or not the teleworking



modality exceeds 30% of the working day. The teleworking modality is also contemplated for pregnant women, who will be able to enjoy it throughout the entire pregnancy period.

As a novelty, the agreement includes a regulation of the right to digital disconnection, which in turn was regulated for the first time in the collective agreement of the Savings Banks and Financial Entities for the period 2019-2023 and which came into force on December 3 of 2020.

It should be noted that the sectoral collective bargaining agreement includes new measures to promote aspects of work-life balance, with the following measures having been agreed:

- Possibility of applying the reduction in working hours only to afternoons of effective work in the
 unified timetable in the case of care or legal guardianship of children under 12 years of age or a
 person with a disability who does not perform a paid activity for the general timetable.
- 15 days of breastfeeding leave to be accumulated after maternity leave.
- Creation of paid leave of up to 3 months in the case of cases of gender violence involving a change of address.
- Computation of all leave (with the exception of marriage leave) in working days.

100% of the entity's workforce is covered by the agreement.

Regarding permits, Cecabank has updated the catalog published for the entire workforce, including the latest ones approved by Royal Decree - Law 5/2023, of June 28. These are leave due to an accident or serious illness of family members or cohabitants, absence due to force majeure and parental leave.

In terms of parental leave, the employees who have taken parental leave are as follows:

	Women	Men	Total
2023	5	10	15
2022	3	4	7

Cecabank also has the Cecabank Employees' Cultural Association or "Company Group". The purpose of this association is to develop and organise all kinds of activities aimed at promoting leisure and education in the free time of associates and their families through the development of cultural, sporting, children's, family and tourist activities. The aim of all the activities promoted by the Association is to establish bonds of friendship and companionship between all members, to positively encourage interpersonal relationships between all members, and to help to improve and reconcile work and family life.

Equality

Cecabank has an Equal Treatment and Opportunities Plan for women and men signed between the bank and the RLPT for the years 2022-2026, complying with all current legal requirements. The bank has had an equality plan since 2010, an update in 2017 and the current one. During these years, work has continued in this area through detailed studies on the gender gap, diagnosis of the situation, and work has been carried out on training actions to raise awareness and provide information for the entire workforce.

The Equality Plan regulates the functions of the Equality Committee, establishes positive action measures and includes the improvements in measures for reconciling work and family life that have been agreed between the workers' representatives and the bank.

In addition, Cecabank has a protocol for action in the event of a complaint of harassment at work, sexual harassment and harassment based on gender in Cecabank. It is a labour agreement signed with all the staff's labour representatives and regulates, for the first time, harassment in the workplace.



Cecabank also has the following agreements in this area:

- Labour agreement on teleworking and the right to digital disconnection.
- Agreement on flexible working hours.
- Practical guide to inclusive language.
- Guide to measures, aid and benefits.

As part of the action plan to obtain recognition in this area, work has been carried out to obtain the EFR (Family-Responsible Company) Certificate awarded by the Másfamilia Foundation, obtaining the award in 2021 and obtaining the favourable evaluation report in the EFR Aenor external audit in May 2023 and 2022.

One of the lines of action of the Sustainability Policy is the responsible management of the workforce, the entity's main resource and contributing to improving the reconciliation of family, personal and work life and the pride of belonging, guaranteeing equal opportunities. favoring the attraction and retention of talent and taking advantage of the richness of diversity in all its forms.

To close the first cycle of certification, in December 2023 a survey was launched among the entire workforce to give employees a voice and learn about the use and assessment of conciliation measures linked to the EFR seal. Of the results obtained, it is worth highlighting the greater participation compared to the first survey launched in 2021 (beginning of the cycle) and the equal participation between men and women. The best valued measures have been those related to teleworking and flexible hours and a percentage of 72% believe that Cecabank is equally or better placed in terms of conciliation than other entities.

The validity of the badge is three years, so work is being done to renew it.

In 2022 and 2023 we have also obtained the "Empowering Women's Talent" and "Diversity Leading Company" seals awarded by Teams and Talent. Cecabank has also been a signatory of the Diversity Charter since 2021.

The entity has incorporated the diversity component in its selection processes, both in the workforce and through ETTs. In 2023, Cecabank had four people with disabilities on staff and three people through ETTs, in 2022 there will be three people on staff and two people providing services through ETTs. In addition, Cecabank collaborates with entities that promote the inclusion of people with disabilities in the work environment.

Description of the indicator	Units	2022	2023
Total number of employees in Cecabank Spain	Number	472	466
Percentage of women in Cecabank Spain	Percentage (%)	51%	50%

Health and Safety

In accordance with applicable legislation, responsibility for the implementation, application and integration of the Occupational Risk Prevention System lies with the company's management. At Cecabank, the organisation of the resources necessary for the development of preventive activities has been designed in accordance with the External Prevention Service modality, which covers the preventive specialities of: Industrial Hygiene and Ergonomics and Applied Psychosociology, Occupational Medicine and Occupational Safety.



Cecabank has a Prevention Plan which establishes a set of rules and procedures through which the mechanisms for the management and integration of occupational risk prevention are developed, including the different actions in preventive matters, such as Policy, Objectives and goals, organisational structure of occupational risk prevention, responsibilities and functions within the organisation and monitoring and control at the level of integration.

As for the operational procedures included in the Prevention Plan, there are the procedures for contracting, material and human resources, contracts and subcontracts, information and training procedures, consultation and participation of workers, action in the event of an emergency, etc.

Cecabank, S.A. has contracted the speciality of Occupational Medicine with the External Prevention Service of QUIRON PREVENCIÓN, S.L.U., whose activities include monitoring the health of workers in relation to risks derived from work, analyses, medical examinations and epidemiological studies of the results of health examinations in order to investigate and analyse the possible relationships between exposure to occupational risks and damage to health.

In addition, the company has a doctor, external personnel subcontracted by the External Prevention Service, located at the work centre, where he carries out medical care work.

Accidents at work and occupational illnesses of employees are covered by MC Mutual, a mutual insurance company for accidents at work and occupational illnesses.

Cecabank also provides training and information for its employees through its Training Department, which runs courses on occupational hazards and preventive measures for all employees, data display screens, as well as training for intervention teams in fire-fighting and first aid measures.

In this regard, during 2023, new emergency brigade teams have been formed, which have received specific practical training on fire and evacuation.

Likewise, in May 2023, an evacuation drill was carried out with the participation of the entire workforce. Also during the year 2023, the voluntary medical check-up campaign was launched for all members of the organisation's staff, with the percentage of medical check-ups carried out being 50.64% of the total staff. This year, as a novelty, a self-appointment system was introduced so that employees could choose the medical centre and the day of the check-up.

In addition, a preventive seasonal flu vaccination campaign was launched in October 2023, with 13.95% of the workforce having been vaccinated. With regard to prevention for the detection and containment of the impact of Covid-19, Cecabank has implemented a procedure whereby any employee with symptoms of the disease goes to the Medical Service for an antigen test. If the result is positive, the person leaves the bank's premises to telework for a week (if the disease is not associated with health complications). After this period, before returning to Cecabank's premises, the affected person must undergo a new antigen test at the Medical Service to verify that there is no risk of contact with the rest of the staff.

The company's Prevention Service, together with the Medical Service and the Personnel Department, has carried out exhaustive monitoring of all cases of COVID in the company, putting into practice all the recommendations of the health authorities.

In 2018, Cecabank launched the Ckbe-Well Plan, which encompasses a series of actions to promote healthy behaviours and habits aimed at improving the wellbeing of our employees. Since its inception, a Physiotherapy service has been promoted to improve health through the prevention and treatment of work-related injuries, a nutrition and dietetics service for employees, back school courses, training in healthy eating, etc.

In 2023, 100% of employees were represented on the Health and Safety Committee, a joint body that meets quarterly and is governed by the regulations of the Health and Safety Committee.

Employees covered by collective bargaining agreement in Spain: 100%.



Absenteeism²⁵ hours in the entity in Spain:

2023	17,704
2022	15,025

Based on the above, the absence rate in 2023 is 1.88%.

As in the previous year, in 2023 there were no occupational illnesses among the workforce. In 2023, excluding COVID cases, there were two occupational accidents with sick leave.

As a result of these policies, we can highlight that the workforce has been retained as a means of retaining value and knowledge.

In terms of social dialogue, the entity has a Works Committee with 13 members in which 3 trade union sections are represented and which meet every two months. The last trade union elections were held on 30 November 2022.

The Works Council carries out its trade union and company dialogue activities through a series of working committees:

- Health and Safety Committee
- Equality
- Timetables
- Loans
- Training
- Search
- Teleworking

In addition, all labour agreements signed with labour representatives have their own monitoring committee to ensure that they are complied with.

2.2. Social commitment

With our environment

Cecabank develops its social commitment through initiatives in line with its corporate characteristics and objectives. The bank and its staff are aware of social problems and specifically those affecting the most disadvantaged groups. The entity implements specific contribution actions, which also foster pride of belonging among the people of the entity. For this reason, the entity implements contribution actions, which fulfil the double objective of satisfying the social demands of the staff and which, therefore, foster pride of belonging among the people of the entity, and those of the entity itself, committed to its environment.

Every year, Cecabank launches the "Tú Eliges" (You Choose) programme, in which the bank's staff present various social, environmental or cultural projects and Cecabank undertakes to finance those selected after an internal voting process.

 $^{^{25}}$ To measure hours of absenteeism, in accordance with the stipulations of indicator 403-2 of the GRI standard, only hours of sick leave due to COVID, illness and IT accidents have been taken into account.



In 2023, the 9th edition of the programme was held, in which a total of 29 projects from various associations were presented (21 in the social sphere, 4 in the environmental sphere and 4 in the cultural sphere), which Cecabank supported with a grant of 100,000 euros.

These are the 29 projects submitted by Cecabank employees to the 9th call of the "Tú Eliges" programme:

SOCIAL PROJECTS

FAMILIAS QUE AYUDAN A FAMILIAS. NADIESOLO VOLUNTARIADO

Fundación Desarrollo y Asistencia

AYUDA A ESCUELAS EN GAMBIA

ONG ITT Gambia

ALEPH-TEA POR UN OCIO INCLUSIVO

Asociación ALEPH-TEA

TODOS MERECEMOS UNA SEGUNDA OPORTUNIDAD

Fundación Segunda Parte

ARIADNA COSIENDO ILUSIONES

Asociación Ariadna Cosiendo Ilusiones

INTEGRA TECH

Fundación Integra

UNIDAD CRIS DE NUEVAS TERAPIAS EXPERIMENTALES HOSPITALARIAS

Fundación Cris contra el Cáncer

Y DESPUES DE LA CARCEL ¿QUE?

Asociación Apromar

INHIJAMBIA 111

Asociación AGIL (Apoyo Global para Iniciativas Locales)

RURAL TEC. ROMPER LA BRECHA DIGITAL EN MENORES

Fundación Sanders

SU OPORTUNIDAD ERES TÚ

Fundación AYO (Accelerating Youth Opportunities)

HOGAR PARA PERSONAS CON DISCAPACIDAD INTELECTUAL

Fundación El Arca Madrid

CONSTRUCCIÓN ESCUELA SECUNDARIA EN UGANDA

Babies Uganda ONG

ASALBO. ASOCIACION ALMERIENSE SINDROME BOHRING OPITZ

Asociación Asalbo

CAMINA CONMIGO. UNIDAD DE FISIOTERAPIA ROBOTICA

Fundación Aenilce

AFANIAS. CENTRO EDUCACIÓN ESPECIAL ESTUDIO3

Asociación Afanias

INVESTIGACION CANCER INFANTIL

Fundación Siempre Fuertes

DEBRA EN CASA. PIEL DE MARIPOSA

Asociación Piel de Mariposa

ACOMPAÑAMIENTO FAMILIAR. VIVIENDA PRODIS

Fundación Prodis

FENIX TT EN MOVIMIENTO

Asociación Fenix TT

FUNDACION AVA. TODOS SOMOS ATLETAS

Fundación AVA

ENVIRONMENTAL PROJECTS

ESPACIOS NATURALES SIN BARRERAS

Asociación Reforesta

SALVAR AL VISÓN EUROPEO

Fundación para la investigación en Etología y Biodiversidad FIEB

AYUDANOS A COMPRAR UN BOSQUE GALLEGO



Fundación Fundem FUNDACION BIGOTES Fundación Bigotes

CULTURAL PROJECTS

CON VOZ PROPIA

Organización Musicus. Folie Producciones

CULTURA EN VENA. ARTE EN HOSPITALES Y ESPAÑA RURAL

Fundación Cultura en Vena

COLONIAS ASEM. SEMANA DE RESPIRO FAMILIAR

Federación Española de Enfermedades Neuromusculares (ASEM)

EL 12 EN FUTURO. ÁREA DE CULTURA Y CIENCIA

Hospital Universitario 12 de Octubre. Área de Cultura y Ciencia

In this edition, participation reached 88.87%, exceeding last year's 78.94% and demonstrating once again, not only Cecabank's commitment to its Social Action Plan, which is part of the bank's Sustainability Policy, but also that of all its employees to promoting the well-being of society and its impact on the community.

The finalists of the "Tú Eliges" 26 programme are shown below:

Category	Beneficiary association	Aid amount
Social	Investigación Cáncer Infantil	15,000 €
Social	ALEPH-TEA	13,000 €
Social	Todos merecemos una segunda oportunidad	10,000 €
Social	Y después de la cárcel ¿Qué?	7,500 €
Social	Ariadna cosiendo ilusiones	7,500 €
Environmental	Espacios Naturales Sin Barreras	7,500 €
Social	Unidad Cris de Nuevas Terapias Experimentales Hosp	7,500 €
Social	INHIJAMBIA 111	5,000 €
Cultural	CON VOZ PROPIA	5,000 €
Social	Fundación AVA: Todos somos atletas	5,000 €
Social	SU OPORTUNIDAD ERES TÚ	5,000 €
Social	CAMINA CONMIGO: Unidad de Fisioterapia Robótica	3,000 €
Social	HOGAR PARA PERSONAS CON DISCAPACIDAD INTELECTUAL	3,000 €
Cultural	El 12 en futuro, Área de Cultura y Ciencia	3,000 €
Social	Construcción Escuela Secundaria en Uganda	3,000 €

In addition, we would like to highlight the following initiatives carried out in 2023:

a. Humanitarian emergencies: Cecabank has been part of the network of companies collaborating with the Spanish Emergency Committee since 2018. The Committee is a pioneer in Spain for uniting companies, the media and international NGOs specialising in humanitarian aid (SOS Children's Villages,

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²⁶ The You Choose Program for the year 2022 is attached in Annex IV.



Educo, Intermón Oxfam, Doctors of the World, Plan International and World Vision) under a single voice to raise funds in emergencies.

This year has been especially significant in disasters and humanitarian emergencies and Cecabank has collaborated in all of them with the help of the Emergency Committee in three of them, when it was activated in the earthquake in Turkey and Syria, the Moroccan Earthquake, and the Crisis in the East Medium in Gaza and hand in hand with Action Against Hunger in the Libyan floods since the Emergency Committee was not activated in that case.

Humanitarian emergency Turkey and Syria

On February 6, the Turkish and Syrian earthquakes took place in the area of Southeastern Turkey and Northern Syria. The earthquake, of magnitude 7.8, left tens of thousands of people dead, injured and missing. From February 7 to 16, Cecabank launched a campaign among staff to raise funds to help alleviate the effects of the emergency.

Thanks to the generous response of the people who make up Cecabank, 195 donations have been received and 13,423 euros have been raised, which added to the equivalent amount that Cecabank will donate, a total of 26,846 euros have been contributed.

Humanitarian emergency Morocco

On September 8, a strong earthquake of magnitude 6.8 shook Morocco, severely affecting the city of Marrakech and the provinces of Al-Haouz and Taroudant. It was the most severe earthquake in the last 100 years in that area, and left thousands of people dead and injured, destroying a large number of buildings. From September 11 to 21, Cecabank launched a campaign among staff to raise funds to help alleviate the effects of the emergency.

Thanks to the generous response of the people who make up Cecabank, 103 donations have been received and 5,800 euros have been raised, which added to the equivalent amount that Cecabank will donate, a total of 11,600 euros have been contributed.

Humanitarian Emergency Libya

On September 12 and in parallel with the launch of our Humanitarian Emergency recruitment campaign to help Morocco, the devastating floods caused by Storm Daniel occurred, devastating eastern Libya. Tens of thousands of people were reported dead and missing.

Because the Emergency Committee was not activated in this case due to not having a presence in the area, Cecabank, together with Action Against Hunger, which, if it had a presence in the area, wanted to collaborate in the humanitarian aid campaign by donating amount of 3,000 euros.

On this occasion, the campaign was not launched to employees, but rather the donation was made directly by Cecabank.

Emergency in the Middle East

On October 7, the terrorist group Hamas launched the worst terrorist attack in the history of Israel, leaving more than 1,200 people murdered, as well as hundreds injured and kidnapped. As of October 9, and in retaliation for the previous events, the blockade and bombing of the Gaza Strip by Israel begins, leaving thousands of Palestinian dead and injured in addition to hundreds of thousands of people affected to date.

From October 23 to November 2, Cecabank launched a campaign among staff to raise funds to help alleviate the effects of the emergency.



Thanks to the response of the people who make up Cecabank, 51 donations have been received and the amount of 2,775 euros has been raised, which added to the equivalent amount donated by Cecabank, a total of 5,550 euros will have been contributed.

b. Solidarity Market:

The Solidarity Market is a much-anticipated and much-loved event by Cecabank staff, inviting some associations and foundations known from previous years and which this year were unable to take part in the "Tú Eliges" Programme. As on other occasions, the various associations and foundations were able to sell their products and their own products, which they use to partially fund their activities. Among the associations invited this year were the Adisli Foundation, the Esperanza y Alegría Foundation, the Bobath Foundation, the Kyrios Foundation and the Spanish Emergency Committee.

Both the Solidarity Market and the blood donation campaign were held at the Cecabank Solidarity Day, taking advantage of the "You Choose" Program Awards ceremony. At the end of the awards event, we were lucky enough to be able to enjoy some pieces chosen by the San Pablo CEU Choir.

c. Blood Donation Campaign with the Red Cross:

This year, 2023, two blood donation campaigns have been carried out together with the Madrid Red Cross.

These campaigns have been made to coincide with designated dates such as the Healthy Week held from May 22 to 26 and the awards ceremony for the You Choose Program and Solidarity Market held on September 18.

According to the Madrid Health and Red Cross transfusion center, the result of these blood donations helped improve the lives of 108 and 48 patients in the different campaigns. Total 156 lives saved.

- d. Collaboration with Banco de Alimentos de Madrid: since its inception, Cecabank has maintained a strong commitment to Banco de Alimentos, collaborating with this organisation by sponsoring Calle Cecabank at its headquarters in Colegio San Fernando and Avenida Cecabank at its logistics centre. Given the link and the history of collaboration between the two entities since 2020, Cecabank Street was replaced by Cecabank Avenue and the Avenue was converted into Cecabank Plaza with the consequent pride and satisfaction for Cecabank. In 2023, the bank has continued to collaborate in this sense, even increasing the donation and sponsorship from the previous year to €15,000.
 - Operation Kilo for the Food Bank: In parallel to the sponsorship of the Avenida y Plaza Cecabank, the Food Bank of Madrid also continued with the "Operation Kilo" campaign Christmas campaign where Cecabank employees were able to make their most charitable purchases, helping the neediest families in the Community (the homeless, the elderly, children, the unemployed, among others). This year, the campaign was launched from 27 November to 8 December, raising a total of 3,100 euros from employees. This amount was doubled by Cecabank, resulting in the donation of a total of 6,200 euros, representing 5,945 kg of food. Thanks to food donations, the Fundación Banco de Alimentos de Madrid provides a daily meal to more than 190,000 people through 560 charities.
- e. Madre Coraje Clothes and Shoes Container: Since 2019, the entity has made a container available to employees for the donation of clothes and shoes. In 2023, more than 260 kg have been accounted for, exceeding the amount donated last year. This association is responsible for giving a second life to the products, through donations to communities, sales at charity markets, or their delivery to external companies, generating funds for social, educational and cooperation associations. This year, 2023, it has changed its legal form and ceases to be an association to become Fundación Madre Coraje, an NGO certified by Fundación Lealtad.
- f. Computer classrooms-ICT classrooms sponsored by Cecabank: The bank is committed to financial education, digitalisation and social action. Since 2019, it has collaborated with the Sanders Foundation and the Community of Madrid in the construction of computer rooms for this purpose. In 2023, Cecabank



contributed with a donation of 16,200 euros for the maintenance and organisation of training courses for the most disadvantaged groups in these classrooms.

- The first computer classroom in the Royal Oratory of Caballero de Gracia, aimed at groups of elderly people, immigrants and the unemployed.
- The second computer classroom in the school of the Bobath Foundation, aimed at people with cerebral palsy to varying degrees, both children and adults.
- The third computer room or ICT room was inaugurated in the first half of 2022 at the Adisli Foundation, focused on training and providing support and opportunities for people with mild disabilities or borderline intelligence to develop their life projects and a network of support.
- The fourth computer classroom was opened in the second half of 2022 at the Senara Foundation to help vulnerable people. In particular, it focuses on and offers job orientation and training for women and their families, improving their work-life balance.
- The fifth IT classroom is scheduled to open in the first quarter of 2023 at the Integra Foundation, which supports people in social exclusion and with disabilities to regain control of their lives, mainly through job placement.
- The sixth classroom, this time a social classroom that was inaugurated at the end of 2023 at the Ariadna Cosiendo Ilusiones Association, helping women at risk of exclusion from poverty or social marginalization, providing paid training scholarships in workshop schools of the brand created at effect with the name of Mary and her battles.

g. Donation of computer equipment

- The collaboration and donation of Surfaces by Cecabank to the Sanders Foundation has become the
 final piece for the beginning of the pilot in communities and municipalities with less than 15,000
 inhabitants, where the work of carrying out the technology to the most distant corners of the
 Community of Madrid. These actions are part of a larger project against the digital divide, equality
 and against depopulation.
- The collaboration between Cecabank and the Coni Association has made it possible that in a few months a container of computers can be sent to the rural areas of Guatemala with the aim of creating more than 20 digital classrooms in rural schools. Thanks once again to the screens and computers donated by Cecabank to the Coni Association along with other donors, in less than 5 years more than 10,000 boys and girls living in the most impoverished areas of Guatemala will be reached. Without also forgetting the digital literacy programs for women.

h. Volunteering

At Cecabank we want to promote a culture of social commitment and shared values among our staff and we consider that corporate volunteering is a fundamental tool to generate social impact. The Sustainability department has coordinated the volunteer activities of the staff this year 2023, which with an altruistic and supportive nature have been carried out without financial compensation from the volunteers.

Among the main lines of action this year, social volunteering and financial education activities have been carried out by Junior Achievement and its "advantages of staying in school" program, raising awareness among students of the importance of continuing to study, while discovering key skills for their future.

Regarding environmental volunteering, in 2023, a visit and planting day was held in Mijares (Ávila) in the Iruelas Valley with the help of Sustainable Forests, where in recent years we have been offsetting part of our carbon footprint in the repopulation of these areas. punished by fires.



Another line of volunteering, this time developed by managers of our Technological area, has been carried out with the help of the Integra Foundation and in our Cecabank digital classroom. The "strengthening school" program has provided support to different people at risk of exclusion, focusing on working on basic digital skills to search for employment.

The last volunteer action of the year carried out by our employees was carried out by the Adopta un Abuelo Foundation, with the campaign "A letter for a grandfather", where Cecabank volunteers wrote letters to elderly people who suffer from loneliness, on the occasion of congratulating them on Christmas.

Finally, it should be noted that no relevant risks have been detected in social issues.

With Human Rights

Cecabank has been a partner of the Spanish United Nations Global Compact Network since 2017, assuming the commitment to incorporate the ten principles in the development of its activities, based on human rights, labor rights, environmental rights and the fight against corruption. Likewise, the entity is committed to the dissemination and promotion of these principles. This year, 2023, Cecabank has supported various campaigns regarding Human Rights on Social Networks.

Given the nature of the entity's activities and its presence in Spain and different European countries through its operational and representative offices, the entity has therefore not identified relevant risks in these matters. From compliance, risks and internal audit, the necessary controls are carried out to comply with applicable laws and prevent crimes.

In 2020, the entity adhered to the "Declaration of business leaders for renewed international cooperation" promoted by the Global Compact, which aims to unite companies in favor of international cooperation (based on Human Rights) and Sustainable Development.

During the celebration of the General Assembly in June 2022, Sanda Ojiambo, Undersecretary General of the United Nations and CEO of UN Global Compact, presented Cecabank with the bronze medal in the Contigo Somos+ Recognition. The bronze badge is awarded to those member companies that managed to incorporate between one and four partners into the Global Compact during one year.

As part of the actions planned within the framework of the Sustainability Plan, Cecabank has initiated a reflection to develop a specific policy on Human Rights. This policy aims to specify and develop Cecabank's commitment to Human Rights so that they are respected within the entity, in accordance with international protocols and standards. This policy is currently in the approval process.

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

Principle 2

Businesses should make sure that they are not complicit in human rights abuses. The Corporate Code of Conduct ensures compliance with and defence of Human Rights.

The Corporate Conduct Channel is available to employees and other stakeholders on the corporate website and allows them to submit queries or report any behaviour that may violate human rights. As in recent years, no complaints were received in 2023 regarding Human Rights or any other type.

The Risk and Compliance and Internal Audit areas ensure strict compliance with applicable regulations. The Criminal Compliance Policy and reputational reporting to stakeholders also ensure compliance with legislation, due diligence and non-violation of human rights.

For more information see the Ethics and Compliance section of the EINF.



Labour Standards

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

The people who work at Cecabank are its main asset. For this reason, various policies and initiatives are developed to promote physical integrity and respect among people, health and safety at work, professional development, equal opportunities and non-discriminatory treatment, among others.

Principle 4

Businesses should support the elimination of all forms of forced and compulsory labour.

Cecabank's work organisation is based on the collective bargaining agreement for savings banks and financial institutions, improving conditions by contract and applying compensatory measures to employees with special conditions. Moreover, Cecabank holds the EFR (Family Responsible Company) Certificate awarded by the Másfamilia Foundation, which will be renewed in 2023.

Principle 5

Businesses should support the elimination of child labour.

Cecabank has a Plan for Equality between women and men and reconciliation of family and work life. It also includes a Protocol for action in the event of a complaint of harassment at work, sexual harassment and harassment based on gender in Cecabank. In 2023, mandatory training on the subject was additionally provided to all employees.

Principle 6

Businesses should support the elimination of discrimination in respect of employment and occupation.

For more information, see the People Section on Reconciliation and Equality.

Environment

Principle 7

Businesses should maintain a precautionary approach to environmental challenges.

Environmental protection and responsible management of resources govern Cecabank's environmental policy, which seeks to operate under an efficient model, minimising the impact on the environment.

Principle 8

Businesses should encourage initiatives that promote greater environmental responsibility.

Cecabank has implemented an Energy Management System in accordance with the ISO 50001 standard, ensuring continuous improvement in energy management. One of the objectives of this framework is to guide energy performance towards savings, optimisation of consumption and continuous improvement.

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies. In terms of climate change, Cecabank calculates and manages its carbon emissions, having achieved significant reductions in emissions in recent periods through efficiency measures. Since 2020, the entity has offset scope 1+2 emissions and part of scope 3 emissions, collaborating through other organizations on national and international projects.

In 2023, the bank has gone a step further by calculating the carbon footprint of its investment portfolio for the years 2020 and 2021 and is in the process of calculating it for the years 2022 and 2023.

Likewise, in 2023, Cecabank published its first climate report, which analyzes the detail of the management of climate-related aspects.

For more information, see the section on "Carbon Footprint and Management of Climate Related Aspects".



Anti-corruption	
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	In addition to the Code of Conduct, which incorporates aspects related to the prevention of corruption and bribery, Cecabank was certified by AENOR in 2023 in accordance with the UNE 19601 Criminal Compliance Standard. The company also has procedures in place for the Prevention and Money Laundering.
	For more information, see Section 07. Anti-corruption and anti-bribery issues.

3. Planet

Cecabank maintains a strong commitment to protecting our environment. The entity seeks to operate responsibly both in its activity and in its sphere of influence through the products and services it offers and in its supply chain.

The commitment to work under a responsible management model is included in Cecabank's Sustainability Policy. Additionally, the entity undertakes to operate under the precautionary principle and complying with applicable regulations and requirements in environmental matters. In this way, the entity manages, in a responsible and sustainable manner and through specific initiatives, the material resources and consumption that derive from its activity.

The 2022-2024 Sustainability Plan, approved by the Board of Directors, includes specific actions in environmental matters under the line of work of "Climate Change and Environmental Management". The entity's objective in this matter is, on the one hand, to achieve maximum efficiency in the management of direct environmental impacts and, on the other, to advance best practices in relation to climate-related aspects. The actions established are supervised by the governing bodies and in the first instance by the Sustainability Committee.

In 2023, the first Report on climate change was developed voluntarily based on recommendations from the TFCD (Task Force for Climate-Related financial disclosures), and within the framework of Cecabank's commitment to transparency and disclosure of Climate, Social and Governance aspects. (ESG for its acronym in English). It includes information on the entity's global strategy, governance of climate-related risks and opportunities, as well as the metrics used to assess our compliance with climate commitments.

Additionally, within the framework of the Sustainability Plan, Cecabank launched an internal working group that encompasses the areas of Sustainability, Risk, Planning, Internal Audit and Regulation. This working group has begun to work, on a voluntary basis, in 2023 on the calculation of indicators related to the EU Taxonomy based on the objectives of adaptation and mitigation of climate change.

3.1. Carbon footprinting and climate management

Carbon Footprint management is a priority aspect in environmental matters.

Calculation:

o Since 2017, Cecabank annually calculates its inventory of Greenhouse Gas (GHG) emissions taking into account scopes 1, 2 and 3. This calculation is verified by an independent third party (Aenor), which issues its report emissions in accordance with the reference standard ISO 14.064.



Management and reduction:

- o Cecabank has reduced 98% of its emissions in the period 2017-2023 through the implementation of efficiency measures and good practices.
- o The implementation and maintenance of the Energy Management System according to ISO 50,001:2018 has allowed us to improve energy efficiency and reduce consumption.
- o Promotion of good habits in the workforce through training actions.
- o 100% of the electrical energy acquired is certified of renewable origin, both for data processing centers and corporate buildings.

- Compensation:

o Cecabank offsets 100% of its scope 1+2 emissions and some of its scope 3 emissions since 2020. Cecabank has collaborated with several national and international projects to offset emissions in 2022.

- 95 tons corresponding to scope 1+2 of emissions that have been offset through the Sustainable Forests Foundation with a repopulation project in the Sierra de Gredos (Ávila), specifically in the Valle de Iruelas project for reforestation of burned areas.
- 100 tons, corresponding to scope 3, have been compensated through an Amazon Conservation project in Madre de Dios in Peru, through the Ecodes Foundation. This project has made it possible to have the necessary resources to monitor areas of the Amazon, avoiding illegal deforestation practices, as well as sustainable forest management in the area.
- 75 tons, also corresponding to scope 3, have been compensated in the project "Improved kitchens and clean water in Guatemala" through the Ecodes foundation. This project improved accessibility to affordable energy for cooking, as well as the installation of ecofilters to improve the quality of life and health in the area.

These offset projects not only contribute to mitigating the entity's impacts on climate change, but also incorporate a social component and a broader environmental contribution. With these actions, Cecabank has reinforced its commitment to SDG 13 (Climate Action), SDG 15 (Life of terrestrial ecosystems), and SDG 6 (Clean water and sanitation). The 2023 emissions will be offset throughout fiscal year 2024, after recalculation and subsequent verification of the fiscal year data.

Below are the results of the 2023 emissions calculation for categories 1 and 2 based on the information available as of the date of presentation of this report. However, the entity recalculates its emissions later, publishing its verified emissions report throughout the year.

Emissions (tCO2eq)	2022 ²⁷	2023
Scope 1	94,62	25,14 ²⁸

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²⁷ The 2022 emissions (scopes 1 and 2) have been modified with respect to the EINF 2022. Cecabank calculates its carbon footprint based on the three scopes, updating the emission factors and verifying its carbon footprint in accordance with the ISO 14064 standard. -1:2018 (official version, in Spanish, of the European Standard EN ISO 14064-1:2019). This calculation has been verified in the month of September by AENOR.

²⁸ In the estimation of the footprint calculation for the year 2023, no leaks of SF6 and other greenhouse refrigerant gases have been identified and, therefore, no associated emissions have been consolidated. Emissions associated with the use of generating sets are excluded from the calculation of the exercise, given that their contribution to the entity's Carbon Footprint is less than the established materiality (5%).



Scope 2 ²⁹	0,0	0,0
Scope 3	174,13 ³⁰	_31

In 2023, Cecabank has experienced a significant decrease in its carbon emissions associated with the reduction of energy consumption in the entity's facilities, as well as the absence of leaks in refrigeration equipment, which, in 2022, increased the company's emissions in a timely manner.

The entity's carbon footprint management actions are accredited by obtaining the "calculate, reduce and compensate" seal awarded by the Spanish Climate Change Office, of the Ministry for the ecological transition and the demographic challenge. In 2022, Cecabank has obtained this accreditation, for the years 2017 to 2021. The 2022 seal is in the process of being processed at the date of preparation of this report.



Carbon Footprint of the portfolio

Contributing to the financing of a sustainable, low-carbon economy, in line with international commitments on the matter, is one of the entity's objectives. In 2022, the entity launched an internal working group that brings together the Financial, Risk, Planning and Sustainability areas, to respond to this commitment and advance in the measurement and calculation of emissions.

Cecabank is a Spanish wholesale bank, dedicated to providing services to other financial entities, as well as large companies. The investment portfolio is essentially made up of investments in public debt (sovereign and similar risks) and private fixed income. Also, to a lesser extent, through loans, credits and other financing to public organizations and large companies (corporates). Finally, in a much more limited way, guarantees and guarantees are provided, and investments are made in variable income. That is, the wholesale strategy developed determines that these investments are, fundamentally, in public debt of the Eurozone countries, and in private fixed income of supervised entities and corporates.

Throughout 2023, the entity has worked on the calculation of its portfolio emissions based on its own methodology, prepared and audited internally by the entity. This methodology was developed based on the calculation methodology proposed by PCAF (Partnership for Carbon Accounting Financials) and the collaborative work carried out in Spain promoted by banking employers' associations.

Given the current composition of Cecabank's portfolio, the entity prioritizes the calculation of the Carbon Footprint in its investment portfolio, compared to the financing portfolio. Cecabank has carried out the calculation of the Carbon Footprint of its portfolio for the years 2020 and 2021, in order to have a history

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²⁹ Market focus.

³⁰ Employee travel from home to work, waste (WEEE), as well as electrical energy in CPDs, which has been obtained from renewable sources.

³¹ In calculation process.



that allows the corresponding analyzes to be carried out and is currently in the process of calculating the years 2022 and 2023. This calculation, as well as the methodology used, has been reviewed internally. In 2021, the emissions obtained based on the methodological adaptation proposed for Cecabank in public fixed income (sovereign debt and municipal/regional bonds) amount to 0.596 MtCO2eq, while private fixed income and variable income were a total of 0.17MtCO2eq.

In the long term, Cecabank is committed to the decarbonization of its investment portfolios and the achievement of the objectives of achieving climate neutrality by 2050. In the case of emissions associated with public debt, which account for more than 75% of total emissions As methodological advances make it possible, we will be able to set intermediate decarbonization objectives. Cecabank is in the process of approving its responsible investment policy, which will help guide the investment strategy to meet these objectives.

3.2. Environmental management at Cecabank

The entity's efforts to improve its environmental performance have materialized in an annual reduction in consumption, both energy, water and paper.

In energy matters, Cecabank has implemented an Energy Management System in accordance with the UNE/ISO 50001:2011 standard, since 2018 for the corporate buildings where it carries out its activity. In 2020, the adaptation to the UNE/ISO 50001:2018 standard was carried out and, in 2023, the entity obtained AENOR certification (GE-2011/0038) until 2024.

Cecabank's energy policy is the framework for which the entity establishes actions, objectives and goals for energy savings and efficiency. Among the objectives of this framework, it seeks to guide energy performance towards savings, optimization of consumption and continuous improvement, promoting the adaptation of facilities and compliance with legal objectives. This policy is promoted and led by Senior Management and applies to all personnel who carry out activities within Cecabank facilities.

The training and awareness of employees on the matter is an important aspect to achieve the set objectives. In this way, Cecabank employees receive mandatory training in efficient energy management. Additionally, awareness-raising actions are carried out through the Good Practices guide for the use of Energy or through the Employee Portal where the Energy Efficiency Portal is located where the best practices, energy performance and certificates are shown.

The measurement and monitoring of consumption is carried out using an automated tool (Smarkia), this allows better management of indicators and optimization of energy consumption. As a result, the entity has experienced a reduction in electricity and gas consumption compared to the reference year 2019. Additionally, compared to 2022, the reduction in the entity's energy consumption has been very significant. This reduction has been achieved due to the optimization of spaces carried out in recent years and the subsequent rental of areas to third parties.





The evolution of the main environmental indicators is shown below:

Building consumption		Year	
	Unit of measurement	2022	2023
Energy (Electricity) ³²	GJ	6,193	4,071
Energy (Natural Gas) 33	GJ	973	447 ³⁴
Paper (Ecological- Ecolabel)	Kg	7,645	5,138
Water	M3	1,347	1,847

Cecabank has worked to solve a fault registered in one of the water meters. Due to this, the water consumption recorded in 2023 for this meter is estimated and the increase recorded with respect to 2022 should not be taken into consideration. The rest of the meters maintain stable consumption.

Regarding paper consumption, organizational efforts are made to reduce and rationalize the use of printing equipment, which has resulted in significant savings in printing toner and in the number of packages DIN-A4 80 gr, DIN-A4 100 gr, DIN -A3 80 gr and DIN-A3 100 gr consumed. The entity continues with its Paper 0 program that calls on all departments not to print documents on paper and to digitize information to reduce paper consumption and recycling.

On the other hand, the entity also tries to reduce the environmental impact through waste collection processes, differentiating between paper and cardboard, glass and hazardous waste, among others, which are collected by authorized third parties and managed in specialized plants.

Waste generated (tonnes)

	2022	2023
Paper and Cardboard	27.10	27.87
Mix	19.10	32.68
WEEE (waste with hazardous components) ³⁵	4.06	6.60
Plastics	1.58	9.10
Construction and demolition	46.38	59.28

In 2023 Cecabank has carried out interior refurbishments of its offices which have generated significant amounts of construction and demolition waste. The management of the works included the reuse of many

The source for the conversion of energy consumption from indirect emissions as a consequence of the entity's electricity consumption is: "Emission factors - Ministry for Ecological Transformation": www.miteco.gob.es/es/cambio-climatico/temas/mitigation-politics-and-easures/factoresemision_tcm30-479095.pdf.

³³ The source for the conversion of energy consumption from direct emissions from the entity's natural gas consumption is: "Emission factors - Ministry for Ecological Transformation": www.miteco.gob.es/es/cambio-climatico/temas /mitigacion-politicas-y-meidas/factoresemision_tcm30-479095.pdf.

³⁴ The data of one of the meters in the Alcalá building has been estimated based on the physical measurements taken daily by the maintenance personnel since a meter change was made on a device that was not registering correctly.

³⁵ WEEE is electrical and electronic equipment that in a small proportion includes hazardous waste.



existing materials to minimise the impact of waste. For example, all existing chairs have been refurbished to prevent them from becoming waste.

In 2023, Cecabank completed the works it was carrying out, which is why greater quantities of construction and demolition waste were recorded. On the other hand, Cecabank continues to take measures to use furniture to minimize the impact of waste, such as reconditioning existing chairs to prevent them from becoming waste. Throughout 2023, the entity has created a working group made up of different areas: Organization, Real Estate, Sustainability, Training, Quality and Internal Audit. The objective of this working group is the implementation of a management system that covers the different environmental vectors.

In 2023 the group has worked on the definition of a new Environmental Policy, the identification of environmental aspects and the establishment of objectives and goals. These works are still underway and approval is expected throughout the year 2024. The working group has received specific training in environmental management according to the ISO 14,001 standard.

4. Prosperity

Cecabank is focused on consolidating its leadership position as an independent custodian and depository bank, along with the provision of specialized services in order to attract new clients and increase ties with current clients.

4.1. Our Clients

Customers are the key to Cecabank's business. The entity guides its model to offer new solutions and attract new clients, building alliances and lasting relationships based on trust. This model is based on transparency and continuous dialogue.

In 2023, Cecabank has continued to provide services to more than 300 clients, including top-level traditional financial entities, investment service companies and managers, large corporations, venture capital managers, insurers, securities companies and agencies, fintechs, public administrations and new actors, with a differentiated service offering.

Likewise, this year the deployment of the 2022-2024 Strategic Plan has continued, which among its objectives establishes income diversification, understanding this from different perspectives: customers, new services and market segments. This diversification seeks to strengthen the entity from economic cycles, an objective on which it has been working for more than ten years, since the constitution of the entity.

Annually, Cecabank defines commercial objectives with the involvement of senior management, which are followed and integrated into the monitoring of the Strategic Plan. The entity has a Strategy Committee and a Commercial Committee that monitor on a monthly basis the fulfillment of commercial objectives and main activity indicators, with the aim of anticipating possible deviations and adopting corrective measures. Likewise, every quarter the Board of Directors is informed of the most important developments in commercial activity.

Additionally, the entity has the New Products, Services and Prices Committees, which are responsible for analyzing new initiatives, opportunities and business profitability, thus completing the governance of commercial management.

Business diversification

At the end of 2023, the contribution to gross income of the bank's 3 core business lines shows a diversified picture of service revenues.

- Securities Services: 44%.

Treasury: 36%.



- Payments and Technology platforms: 17%.

NOTE: Rest (associative services and others): 3%

Client diversification

The search for new clients to increase diversification extends to all the entity's business lines and is continuously monitored by the entity. As a result of these efforts, among the advances in 2023, it is worth highlighting:

- In the area of Securities Services (Deposit, Custody and Settlement of Securities and Equity Sales), in addition to having increased the degree of loyalty of current clients, new clients have been attracted, consolidating a solid base of more than 135.
- Treasury (Treasury and Banknote Room) attracts an average of more than 10 clients per year. Additionally, Cecabank seeks to establish alliances to grow outside the national banknote market. The operation of the Treasury Room allows both to attract new clients and to link existing ones through, for example, in the field of venture capital, the financing of "capital calls" of investments.
- Payments (Means of Payments, Payment Systems Clearing and Discounting, Electronic Commerce, Digital Payments, FX Sharing and Remittances or Pensions) and Technological Platforms (Digital Banking, Treasury and Risk Platform, Reporting and Technological Outsourcing), have focused on advance in the degree of customer engagement, for example through new developments or regulatory updates, and in attracting new medium-small size customers from outside the traditional scope to the wide range of products and services.

Segment diversification

Cecabank's client portfolio differentiates into 4 large sectors of activity, on which the distribution of clients and opportunities is monitored.

- · Savings sector: entities associated with CECA.
- Banks: both national and international.
- Managers, insurers and investment services companies (ESIs).
- Rest: includes public sector, corporates, non-traditional financial entities, among others.

In order to establish lasting relationships with its clients, Cecabank focuses on establishing long-term agreements.

The entity has continued working in 2023 on four major work focuses:

• Quality Management Systems: Maintenance and implementation of management systems for continuous improvement in those areas where certification provides differential value.

During 2023, the Collections and Payments certification was renewed until January 2027 and the Securities and Depository certification was maintained under the criteria of the ISO 9001:2015 standard. On the other hand, in the areas certified according to ISO 9001:2015, continuous improvement and the development of principles have been deepened, beyond compliance with the requirements of the standard itself, as well as the simplification of workflows. work and the adoption of agile methodologies.

Furthermore, in January 2023, the Director of AENOR delivered the Securities and Depository certificate to the Area Management.

• **Objective quality project**: Analysis and adjustments of objective indicators in services with impact on clients to measure objective quality and contrast it with client perception.



This indicator will be presented in 2024 for monitoring by Senior Management.

• Measurement and Analysis of the Customer's Voice: To understand their needs and expectations, so that these are taken into account in decision making.

In 2023, the personalization of surveys for external Clients has been further developed, maximizing precision in obtaining and presenting information. The survey cycle has also been brought forward, improving participation rates.

- Improvement Plans: Aimed at achieving the entity's strategic objectives in terms of customer loyalty and establishing long-term relationships:
 - a. Improve the quality of our processes.
 - b. Improve customer experience.

Throughout 2023, the integration of the customer experience measurement model has continued with the definition and monitoring of improvement plans perfectly suited to each service.

Regarding the satisfaction index, the recommendation index and the willingness to continue trusting Cecabank in new solutions are shown below:

	Overall Satisfaction (Average 0-10)	NPS	Likelihood to continue contracting (% of customers scoring 8 to 10)
2023	8.7	61	88%
2022	8.5	52	81%

Cecabank has a Customer Service³⁶. In 2023, the entity has received three claims, two were not admitted for processing because the claimants were not clients or users of Cecabank's financial services and the third was admitted and resolved in favor of Cecabank.

4.2. Sustainable finance

Cocabank is aware of its rol

Cecabank is aware of its role in the financial sector and in sustainable finance. As a wholesale bank and as set out in our sustainability plan, our objective in this area is to support our customers in their transformation process towards a sustainable finance model.

The bank's 2022-2024 Strategic Plan established ESG aspects as a vector for growth. This measure is also contemplated in the bank's Sustainability Plan, which establishes the Sustainability Committee, in which the bank's businesses are integrated, as the body responsible for identifying and monitoring initiatives. The Sustainability Committee reports its conclusions to the Strategy Committee.

In this way, we closely follow regulatory developments and work hand in hand with our customers to understand their needs and seek solutions that can meet their sustainable finance needs.

³⁶ In accordance with Order ECO/734/2004 of March 11, on Customer Service Departments or Services and on the Customer Ombudsman of financial entities.



In the area of sustainable finance, Cecabank offers a range of services:

- In the Securities Services area, the following services stand out:
 - Proxy voting service: Cecabank has different alternatives for Proxy Voting services, which include communication, vote execution, traceability of operations and assistance for agreements with proxy-advisory (voting advisors) if necessary. It is a flexible and tailor-made service: the final model is designed according to the preferences of each client and the possible agreements they may have with proxy-advisory providers.
 - In 2023, we communicated more than 3,500 boards in 73 countries across five continents and successfully sent more than 12,000 voting instructions to the market.
 - SRI verification of funds: Cecabank, in its role as depositary, verifies that the financial vehicles that are SRI and are under its supervision really comply with the levels of socially responsible investment that correspond to them, giving the end customer the certainty that they are really accessing an SRI product. To carry out this monitoring, Cecabank has created an ecosystem together with leading financial information providers, specialised in the area and monitoring of SRI criteria.

At the close of the 2023 financial year, the assets of funds deposited in the entity that promote environmental or social characteristics, or have sustainable investments as their Objective, exceed 99,000 million euros. For the latter, the weighting of the total assets of vehicles deposited with Cecabank at year-end, in accordance with the classification established by the Sustainable Finance Disclosure Regulation (SFDR), is shown below^[1]:

Article 8	Article 9
Promote social and environmental initiatives alongside traditional outcome objectives	Investment products with explicit sustainability objectives.
41%	3%

- In the area of technology, the bank incorporates ESG aspects to improve customer services:
 - Cecabank thus has an electronic invoicing solution that enables it to eliminate paper invoices and generate notable efficiencies for both the entity itself and the customers of the solution. Cecabank's solution generates and stores more than 2.5 million invoices a month, 30 million a year. During 2023, the bank has worked on improving this application and adapting it to the new e-invoicing regulations.
 - Cecabank's digitised signature solution provides legal security for the digital signature of contracts in the office by replacing paper with a solution where the customer signs on a tablet that digitises the process. The solution is implemented in more than 50% of the financial system's branches in Spain, as well as in approximately 15% of the insurance sector. During 2023, Cecabank has worked to extend and improve the functionalities of this service, allowing its use to cover more cases. By improving the digitalisation of procurement processes, we achieve a reduction in paper consumption for the bank's customers.

[1] For IICs and ECR's, information on SFDR items obtained from vehicle brochures. For FP's and EPSV's, information on SFDR articles obtained from the managers.

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- o In 2022, Cecabank started a project for the digitization of card slips in one of the largest retailers in Spain. In 2023, the nationwide rollout and implementation of a digital ticketing tool has been completed and is in the pilot phase in a geographical area, with plans for its possible expansion.
- In the financial area, the bank incorporates ESG criteria in its operations. In this way:
 - As of December 31, 2023, Cecabank held 19 positions in ESG (Environmental, Social and Governance) Bonds, worth 149.5 million euros. This represents a decrease of 0.33% compared to the end of 2022, in which the entity held positions worth 150 million euros.
 - During the 2023 period, the Risk Area has implemented monitoring of the portfolio's ESG-rated exposures, both in equities and loans. As of December 31, 2023, 65% of issuers in Variable Income and 15% in loans to the private sector had an ESG rating.
 - Cecabank has been a member of the European Union market makers network since 2021 (Primary Dealer Network). EU issuances have continued in 2023 with more than 114,000 million euros in bonds placed on the market with the active participation of Cecabank. This debt finances the Next Generation EU Recovery Fund, the aid package for the economic, ecological and digital transformation of Europe endowed with 800 billion euros.
 - 2023 has been an exercise in consolidating the model for integrating ESG factors in credit risk assessment. On the one hand, this information and its impact on credit risk have been incorporated into the counterparty reports that support the admission process or annual reviews. On the other hand, information from external providers, on these same aspects, has been integrated into the credit risk evaluations that result from applying the rating models.
 - Additionally, it is worth noting that, during the year, the entity has worked on the development of a Responsible and Sustainable Investment Policy, which is currently in the approval process. To this end, Cecabank has created a transversal working group in charge of analyzing best practices in the matter, reference information, as well as ensuring that the necessary commitments are included to meet the entity's objectives in ESG matters. This policy will be approved in 2024 and will, among other objectives, promote sustainable business in the entity, as well as establish the principles of action regarding ESG risks in our investment portfolio.

5. Governance

Good governance as a hallmark of Cecabank's identity. Our commitment to our stakeholders is based on a solid governance model that allows us to maintain long-lasting relationships based on trust.

5.1. Good corporate governance

Cecabank's corporate governance consists of a set of rules, principles and policies that regulate the composition, structure and operation of the governing bodies (the General Shareholders' Meeting, the Board of Directors and its committees), which are periodically reviewed and/or updated to adapt to national and international best practices.

Cecabank's General Shareholders' Meeting is the highest body for the representation and participation of shareholders in the bank. The General Meeting is responsible, among other functions provided for in the Articles of Association, for appointing and dismissing the Directors, approving the Annual Accounts and applying the result. As of December 31, 2023, Cecabank's shareholder portfolio is made up of the following entities:



Entity	No. of shares	% share
CECA	100,000,000	89.08 %
CaixaBank, S.A.	5,907,921	5.26 %
Kutxabank, S.A.	1,352,325	1.20 %
Unicaja Banco, S.A.	2,188,398	1.95 %
Ibercaja Banco, S.A.	765,561	0.68 %
Abanca Corporación Bancaria, S.A.	712,677	0.63 %
Banco Bilbao Vizcaya Argentaria, S.A.	644,683	0.57 %
Banco Sabadell, S.A.	574,171	0.51 %
C.A. y M.P. Ontinyent	57,920	0.05 %
Caixa D'Estalvis de Pollença	52,884	0.05 %

Board of Directors

The Board of Directors has the broadest powers for the administration of the Entity and, except in matters reserved for the competence of the General Meeting, in accordance with the provisions of the applicable legislation and the Statutes, it is the highest governing body. decision and the person responsible for the risks assumed by the Entity. Additionally, the Board of Directors is the highest governing body in ESG matters.

The Board of Directors of Cecabank is made up of the number of members designated by the General Meeting of Shareholders and which, in accordance with the regulations applicable to capital companies, may not be less than 5 nor more than 15. The General Meeting of Shareholders held on March 29, 2022, agreed, among other matters, to set the number of members of the Board of Directors at ten members.

At the Extraordinary General Meeting of Shareholders held in October 2023, the appointment of a proprietary director was agreed to fill the vacancy caused by the resignation of another proprietary director. Notwithstanding the above, there have been no changes in the composition of the Board of Directors, remaining as of December 31, composed of ten members, of which five of them are proprietary directors, four independent directors and one executive director, which represents that the Board of Directors of Cecabank has 40% independent directors.

In this way, the Board of Directors is made up of the following members as of December 31, 2023:

o Composition:

- Mr. Manuel Azuaga Moreno: President (Dominical)
- Mr. Javier Pano Riera: Vicepresident (Dominical)
- Mr. José Mª Méndez Álvarez-Cedrón: CEO (Executive)
- Mr. Francisco Botas Ratera: Vocal (Dominical)
- Mr. Víctor Manuel Iglesias Ruiz: Vocal (Dominical)
- Mrs. María del Mar Sarro Álvarez: Vocal (Independent)
- Mr. Santiago Carbó Valverde: Vocal (Independent)
- Mrs. Julia Salaverría Monfort: Vocal (Independent)



- Mrs. Carmen Motellón García: Vocal (Independent)
- Mr. Fernando Conlledo Lantero: Non-Counselor Secretary
- Meetings and attendance: during financial year 2023, the Board of Directors held eleven meetings, all of which were ordinary meetings in accordance with the provisions of its Work Plan. In terms of attendance at meetings, there was 97% attendance by its members, reaching 100% attendance with proxies for attendance and voting.

In terms of ESG, in 2023 the Board of Directors oversaw the monitoring of the Sustainability Plan.

Furthermore, in compliance with the regulations governing capital companies and the regulation, supervision and solvency of credit institutions, Cecabank has set up four committees: the Audit Committee, the Appointments Committee, the Remuneration Committee and the Risk Committee.

These four committees assist the Board of Directors in the exercise of their powers. They are composed entirely of non-executive directors, in line with the provisions of the regulations for each of them and with the functions set out in their respective rules of procedure.

Audit Comission:

Functions: among others, supervises and assesses the effectiveness of the entity's internal control, internal audit and risk management systems, as well as supervises the process of preparing and presenting the mandatory financial information and submitting recommendations or proposals to the management body, aimed at safeguarding its integrity.

Composition

- Mrs. María del Mar Sarro Álvarez: President (Independent)
- Mr. Santiago Carbó Valverde: Vocal (Independent)
- Mrs. Carmen Motellón García: Vocal (Independent)
- Mr. Francisco Botas Ratera: Vocal (Dominical)
- Mr. Víctor Iglesias Ruiz: Vocal (Dominical)
- Mr. Fernando Conlledo Lantero: Non-Counselor Secretary

Based on the above, the Audit Committee is made up of three independent members and two proprietary members, which represents 60% of the total number of independent directors.

 Meetings and Attendance: during financial year 2023, the Audit Committee held six meetings, all of which were of an ordinary nature in accordance with the provisions of its Work Plan. As regards attendance at the meetings, 90% of its members attended, reaching 100% attendance, taking into account the attendance and voting delegations.

Sustainability: This Committee is the body assigned by the Board in ESG matters, responsible for supervising compliance with the Sustainability Policy and the commitments assumed by the entity. During 2023, the Audit Committee supervised the monitoring of the Sustainability Plan, the bank's performance through the ESG scorecard, as well as the evolution and progress in terms of the Carbon Footprint of the bank's investment portfolio.

Risk Committee:

o **Functions:** among others, it advises the Board on setting and monitoring the entity's risk tolerance levels and assesses the application of this strategy by senior management and its



results, as well as being aware of and periodically analysing the solvency, liquidity and, in general, risk situation of the entity.

- Composition: In accordance with the provisions of the regulations applicable to credit institutions as well as the Bylaws and the regulations of the Risk Committee, said Committee will be composed of a minimum of three and a maximum of five members, who will all have the status of non-member directors. executives and at least one third of them and, in any case, the President, must be independent directors.
 - Mrs. Carmen Motellón García: President (Independent)
 - Mrs. Julia Salaverría Monfort: Vocal (Independent)
 - Mrs. María del Mar Sarro Álvarez: Vocal (Independent)
 - Mr. Víctor Manuel Iglesias Ruiz: Vocal (Dominical)
 - Mr. Fernando Conlledo Lantero: Non-Counselor Secretary

Based on the above, the Audit Committee is made up of three independent members and two proprietary members, which represents 60% of the total number of independent directors.

 Meetings and Attendance: during financial year 2023, the Risk Committee held five meetings, all of which were of an ordinary nature in accordance with the provisions of its Work Plan. In terms of attendance at meetings, there was 96% attendance by its members.

Sustainability: It is the Committee appointed by the Board of Directors, responsible for monitoring the bank's risk profile, including ESG risks, and integrating them into risk management processes. During 2023, the Risk Committee monitored on a quarterly basis the evolution of the bank's performance in the key indicators set, as well as the progress made in complying with the action plans in terms of supervisory expectations.

Remuneration Committee

- Functions: among others, advises the Board on the entity's remuneration policies (remuneration policies for Directors and senior management), and the alignment of these policies with the maintenance of risk tolerance levels.
- Composition: In accordance with the provisions of the regulations applicable to credit institutions, as well as the Bylaws and the regulations of the Remuneration Committee, said Committee will be composed of a minimum of three and a maximum of five members, who will all have the status of directors. non-executive directors and at least one third of them and, in any case, the Chairman, must be independent directors.
 - Mr. Santiago Carbó Valverde: President (Independent)
 - Mrs. María del Mar Sarro Álvarez: Vocal (Independent)
 - Mr. Francisco Botas Ratera: Vocal (Dominical)
 - Mr. Fernando Conlledo Lantero: Non-Counselor Secretary
- Meetings and attendance: during financial year 2023, the Remuneration Committee held four meetings, two of them were extraordinary in nature with respect to the provisions of its Work Plan. In 2023, 100% attendance at the meetings of this Committee has been achieved.



Appointments Committee

- Functions: inter alia, advises the Board on candidates for vacant positions on the Board of Directors, as well as assesses the balance of knowledge, skills, diversity and experience of the Board and the suitability requirements of Board members.
- Composition: In accordance with the provisions of the regulations applicable to credit institutions, as well as the Bylaws and the regulations of the Remuneration Committee, said Committee will be composed of a minimum of three and a maximum of five members, who will all have the status of directors. non-executive directors and at least one third of them and, in any case, the Chairman, must be independent directors.
 - Mrs. Julia Salaverría Monfort: President (Independent)
 - Mr. Santiago Carbó Valverde: Vocal (Independent)
 - Mr. Javier Pano Riera: Vocal (Dominical)
 - Mr. Fernando Conlledo Lantero: Non-Counselor Secretary

The Appointments Committee is made up of two independent members and two proprietary members, which represents 50% of the total independent directors.

- Meetings and attendance: During fiscal year 2023, the Appointments Committee has held four meetings, three of them ordinary in accordance with the provisions of its Work Plan and one extraordinary meeting. In 2023, 100% attendance has been achieved at the meetings of this Committee.
- Sustainability: Among its functions is the supervision of ESG indicators within the scope of its powers. During 2023, the Remuneration Committee has monitored the evolution of the entity's performance in these established key indicators.

Full details of the composition, functions and operation of the General Shareholders' Meeting, the Board of Directors and the Committees can be found in both the Articles of Association and their operating regulations, which are available in the "corporate information" section of Cecabank's website.³⁷

Training Plan

On an annual basis, the Appointments Committee designs a training plan that includes, among others, topics related to the main activities carried out by the Entity. Furthermore, when a Director considers it appropriate, he or she may request from the Entity a training program or session adapted to the real and specific needs of the moment, in accordance with the Policy for access to individual training courses by members of the Board of Directors.

The Training Plan for fiscal year 2023 consisted of a total of three training sessions, taught by external experts and lasting approximately one hour each, and six induction sessions, all of them taught by Directors of the Entity and with an approximate duration of no more than thirty minutes.

In addition to the Training Plan, it should be noted that during the meetings of the Board of Directors, approximately thirty minutes are dedicated to presenting all the new developments in the regulatory field and monitoring is carried out on regulatory projects that, both at the national and European level, could affect the banking and financial sector.

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³⁷ Corporate governance and remuneration policy.



In this sense, as part of the documentation that is sent to the directors prior to each meeting, a document called "regulatory overview" is delivered that includes all the sector regulations approved during the month as well as the monitoring of regulatory projects.

In total, the number of hours dedicated by directors within the framework of Cecabank's annual training plan and in regulatory matters is approximately eleven and a half hours.

The percentage of directors' attendance at the training and induction sessions of the annual training plan of the Board of Directors has been 95.5%.

Likewise, it should be added that the Directors of the Entity are, in turn, members of the Boards of Directors of other entities and that, for their part, they also receive their respective training plans.

- Training sessions with external experts: 3 of 60 minutes.
- Induction sessions with internal experts: 6 sessions of 30 minutes.
- Regulatory overview meetings: 11 30-minute meetings.
- Attendance of Directors in the training program: 95.5%.

It should be noted that in 2023 the Board of Directors has included two sessions (one for induction and one for training) in the area of sustainability.

- Training session: "Sustainable finance: progress, challenges and opportunities": This session, given by an external speaker, and lasting one hour, focused on the applicable regulation, the performance of supervisors in ESG matters and with a focus on key areas for the sector such as the EU Taxonomy and the role of the sector in decarbonization.
- Induction session: "Sustainability at Cecabank": This session was given by a director of the entity and incorporated all the detailed aspects of the actions carried out in the Cecabank Sustainability Plan and the monitoring of the implementation of regulatory initiatives, the best practices identified and the entity's commitments on the matter.

Suitability Policy

In applying the Suitability Policy, Cecabank recognises the value of diversity in the composition of the Board of Directors and the importance of having directors capable of contributing diverse points of view, perspectives, skills, experience and professional backgrounds, both in debates within the Board and in its decision-making processes, which ultimately leads to an improvement in the Board's decisions.

In this respect, Cecabank encourages diversity on the Board of Directors, so that its composition reflects a diverse group, taking into account the structure of the CECA-Cecabank group, in which the majority shareholder is CECA.

In the selection procedure for Board members, an effort is made, as far as possible, to incorporate a wide range of qualities and competencies in order to achieve a diversity of views and experiences and to promote independent opinions and sound decision-making within the Board of Directors.

To this end, the following diversity aspects, among others, are taken into account: academic and professional profile, age and gender. With regard to gender, Cecabank ensures that the principle of non-discrimination and equal treatment is respected in the selection and evaluation processes and that they do not suffer from implicit biases that hinder the selection of women and that measures are adopted to include among potential candidates, women who meet the professional profiles sought.

On the other hand, the figure of the independent director is considered essential in corporate governance matters, as a means of channelling the supervisory functions of the Board of Directors.



The regulations in force give special weight to this type of director, establishing that in the Appointments, Remuneration and Risk Committees, at least one third of its members and, in any case, the chairman must be independent directors and, in the case of the Audit Committees, where it is established that they shall be composed exclusively of non-executive directors, the majority of whom, at least, must be independent directors and one of whom must be appointed on the basis of their knowledge and experience. In order for the Board of Directors to be enriched both by the presence of independent directors and by the diversity of its composition, it is considered advisable to ensure that a sufficient percentage of women, especially independent female directors, is reached on the Board of Directors, without prejudice to compliance with the applicable suitability requirements.

The entity has set the Objective of representation of women on Cecabank's Board of Directors at least 50% of the independent directors. For the calculation of this percentage, in the event that the number of independent directors is odd, it will be rounded up to the next integer.

In addition, the representation of women on Cecabank's Board of Directors will tend to increase with the ultimate objective of achieving a balanced presence of men and women. In order to achieve this, vacancies on the board and on the various board committees will be taken into account.

Below is the evolution of the presence of female directors with respect to the composition of the Board, as well as a comparison with respect to independent directors since 2016. According to the tables set out below, the evolution of the number of female directors and the evolution of independent female directors have remained unchanged during 2023 compared to 2022.

Evolution of Directors who make up the Board of Directors:

Órgano de Gobierno	2016	2019 y 2020	2021 a 2023
Board of Directors	16,67%	25%	30%
Appointments Committee	25%	25%	25%
Audit Committee	25%	40%	40%
Risk Committee	25%	60%	60%
Remuneration Committee	25%	33,3%	33,3%

<u>Evolution of independent female directors with respect to the total number of independent directors:</u>

2016	2017 y 2018	2019 y 2020	2021 a 2023
50%	60%	75%	75%

Fit and proper exercise to assess the suitability of directors and the Board as a whole

Law 10/2014 of 26 June 2014 on the regulation, supervision and solvency of credit institutions (hereinafter Law 10/2014) and Royal Decree 84/2015 of 13 February 2015 implementing it (hereinafter RD 84/2015) establish that credit institutions must have a Board of Directors made up of persons who meet the suitability requirements necessary to hold office. They must also have adequate internal units and procedures to carry out the annual selection and assessment of the positions subject to the suitability regime established in the aforementioned regulations.

For this reason, in accordance with the provisions of the Policy for the Selection and Evaluation of the Suitability of the members of the Board of Directors and the General Director or similar, approved by the Board in November 2018, the Appointments Committee agreed at its meeting of November 15, 2023, carry



out the annual evaluation exercise of the suitability of the directors and the Board as a whole corresponding to the 2023 financial year.

The conclusion reached after this exercise is reflected in the annual suitability evaluation report, where It is evident that the directors of the entity meet the criteria of commercial and professional honorability, knowledge and experience and good governance, so all of them must be considered, on an individual level, suitable for the performance of their duties as directors of Cecabank and, except in the case of the executive director, members of any of its Committees. Likewise, it is concluded that the Board of Directors, considered as a whole, has sufficient professional experience in the governance of credit institutions to ensure its effective capacity to make decisions independently and autonomously for the benefit of the entity.

Evaluation exercise of the Board of Directors and its Committees

Pursuant to the provisions of Law 10/2014 and RD 84/2015, the Board of Directors has the non-delegable function of monitoring, controlling and periodically evaluating the corporate governance system, attributing to the Appointments Committee the function, among others, of periodically evaluating, at least once a year, the structure, size, composition and performance of the Board of Directors, making recommendations to the Board with respect to possible changes. In addition, in accordance with the recommendations of both the Basel Committee on Banking Supervision of 2015, applicable to banks, and the CNMV's Code of Good Governance of 2020 for listed companies, it is suggested that at least every three years the self-assessment exercise should be supported by an external consultant.

In this regard, considering that the self-assessment exercise of the functioning of the Board and its Committees for the financial year 2022 was carried out with the support of an external consultant, the Appointments Committee at its meeting held on 15 November 2023 agreed to carry out this self-assessment exercise internally through the system of sending questionnaires for each governing body and completing them anonymously.

As part of this process, a review has also been carried out of the documentation reflecting, among other matters, the functioning of these bodies, frequency of meetings, main matters dealt with or attendees at meetings, which have been included in the annual reports on the activities of the Board and the Committees for financial year 2023.

The self-evaluation of the Board and its Committees concludes that both the Board of Directors and its Committees have performed their functions adequately, attending to the specific needs of the entity and shows a very positive assessment by the directors of the functioning of the Board of Directors, the Committees, as well as the positions held on them.

Annual Plans

Board of directors

The Council's Action Plan is prepared on an annual basis, taking into account the feedback obtained in the self-evaluation exercises of previous years, which highlight the Council's strengths and also opportunities or aspects for improvement identified in the exercise. The Action Plan includes concrete actions for all governing bodies as well as for specific positions.

Said Committee, made up of the main executives of the entity, is chaired by the CEO, with the General Secretary and Secretary of the Board of Directors serving as secretary of said Committee. However, those other employees of the entity who are required by the President of the Committee may attend its meetings, with voice and without vote.

In 2023, the entity's Management Committee has supervised aspects related to Non-Financial Information, the Sustainability Plan and ESG performance indicators. Additionally, this Committee has received training in Sustainability in 2023, a total of two training and induction sessions.



5.2. Ethics and Compliance: corruption and bribery

Ethics and compliance are hallmarks of Cecabank, which allow us to maintain relationships of trust with our stakeholders.

Maintaining strict compliance with the law and established internal regulations is one of Cecabank's priorities, in order to fight against corruption, bribery and any potential crimes attributable to legal entities or that may be committed within this. To this end, the entity maintains the necessary control, monitoring, communication and supervision mechanisms.

The entity has a Code of Corporate Conduct that formalizes the commitment of all professionals to the highest standards of integrity and professional ethics in order to prevent, among others, criminal risk. The values and standards contained therein are mandatory and of global application to all members of the Board of Directors, to all employees and other affiliated entities of its consolidated group, either directly or through its suppliers, and must permeate relations with interest groups.

The Corporate Code of Conduct incorporates, among other aspects, conduct guidelines on aspects related to corruption, prevention of money laundering and financing of terrorism, confidential information, free competition, conflicts of interest, among others.

In 2023 and within the framework of the culture project, Cecabank has launched a transversal working group that encompasses different areas of the entity; Compliance, the Financial area, Legal Advice, Human Resources, Internal Audit and Sustainability, in order to initiate a reflection to update the Corporate Code of Conduct and its adaptation to best practices and the current context of the entity.

In relation to this Code, Cecabank has a Corporate Conduct Channel through which all persons subject to it can file complaints of possible non-compliance, as well as make pertinent queries derived from its interpretation. The treatment of complaints is confidential and/or anonymous. In 2023, no complaints have been received through this channel.

In addition, Cecabank has other instruments that promote exemplary conduct as an institution:

- Criminal risk organization and management system. The system has been certified again by AENOR in 2023 in accordance with UNE 19,601 Criminal Compliance Standard.
- Backbone document of the criminal risk organization and management system.
- Money laundering and terrorist financing prevention procedures and control structure.
- Internal regulations of conduct in the field of the securities market.
- Policies for the provision of investment services or MiFID policies. These policies are included in three blocks: related to transparency and reporting (Transparency Policy and TR Governance Framework), related to structural market issues (Record Maintenance Policy, Product Governance and Algorithmic Trading Policy) and investor protection (Best Execution Policy, Asset Safeguarding and Incentive Policy). The main objective of these policies is the adequate compliance, by the Bank, with the standards of conduct and organizational requirements linked to the provision of investment services.

Cecabank reviews its Criminal Compliance system annually, establishing actions to ensure the continuous improvement of the system.

Description of the indicator	2023	2022	
Ongoing actions (corrective, improvement, preventive) deriving from the Criminal Compliance system	3	2	
Internal Audit recommendations on the system	1	1	



Cecabank has a money laundering and terrorist financing prevention manual that seeks to enable the entity and its employees to prevent illicitly obtained funds from accessing the financial system through Cecabank. The entity's computer systems allow the analysis of its own and intermediary operations, in order to detect possible operations linked to these aspects. For these purposes, comparisons are carried out against lists of financial sanctions, and there are specific scenarios for detecting suspicious operations. Additionally, there are tools and processes that allow for exhaustive knowledge of the client and monitoring of the relationship with them.

The organizational structure and internal control mechanisms developed by Senior Management are aligned with the nature of Cecabank's strategy and business model, with well-defined, transparent and coherent lines of responsibility, aimed at guaranteeing effective and efficient operations; prudent management of the business; adequate identification, measurement and mitigation of risks; reliable internal and external published financial and non-financial information; sound administrative and accounting procedures; and compliance with laws, regulations, supervisory requirements and internal policies, processes, standards and decisions of the entity.

This structure is characterized by developing comprehensive and specialized management, with specific management and control units for the different risks; because it is based on a Committee structure; for being a structure that guarantees the independence of the units that perform control functions with respect to the areas, units or functions on which their verification revolves; and for being based on the three lines of defense model.

During 2023, the entity has consolidated the definition of the relevant indicator on operations analyzed in relation to the risk of corruption, as well as the associated controls. In this sense, the number of operations evaluated in 2023 remains in line with the data for 2022, standing at 28,671 operations.

Description of the indicator	2022	2023
No. of operations assessed for corruption-related risks	28,545	28,671
Confirmed cases of corruption and measures taken	0	0

5.3. Risk Management

As established by Cecabank's Risk Tolerance Framework, the management and control of risks, both financial and non-financial, is a fundamental aspect.

The entity maintains a conservative risk profile, based on rigorous prudential criteria, highlighting high levels of solvency and a comfortable liquidity situation. The risk management model seeks to guarantee efficient use of the capital assigned to the business units, consistent with the commercial strategy.

The Board of Directors of Cecabank establishes the business objectives of the entity and is ultimately responsible for the risks that it assumes in the development of its activities. Thus, it is this body that determines the general policies regarding risk assumption, as well as updating and approving the Risk Tolerance Framework. Likewise, the Board is the first promoter of the corporate risk culture, aimed at ensuring efficient internal control systems and rigorous and complete risk management and measurement processes. It is also the responsibility of the Board to monitor its risk profile, within the parameters established within the Risk Tolerance Framework. To do this, it is supported by the work carried out by the Risk Committee and the Audit Committee.

The Risk Committee, as a delegated Committee of the Board of Directors, has, among other functions, to advise the Board on the overall risk propensity, current and future, of the entity and its strategy in this area. He is responsible for monitoring the entity's risk profile, including ESG risks and their integration into the risk management processes, the Risk Tolerance Framework and the General Risk Management Framework, among others.

On the other hand, the Audit Committee's functions include the evaluation and supervision of the preparation process and the integrity of financial and non-financial information, as well as the function of supervising the entity's internal control systems and management systems. of risks. Among its functions is monitoring compliance with the Sustainability Plan.



The bank has established various mechanisms to control and manage non-financial risks. Of note are:

Non financial Risks	Main control and management mechanisms
Cybersecurity and technological risk	Cecabank voluntarily assumes the highest standards and all the recommendations on technological risk assessment (ICT) proposed by the EBA, including in its scope the risks of security, cybersecurity, change, integrity, continuity and outsourcing, all of which are included in the risk management policy. Likewise, the services offered by Cecabank are largely based on a high level of sophisticated technological support that guarantees data privacy and business continuity. For more information, see section: Cybersecurity.
Risk related to compliance and prevention of bribery and corruption	Cecabank has implemented a Criminal Compliance System based on the UNE 19601 standard and verified by an independent third party. The system incorporates a mandatory Criminal Compliance Policy, which is one of its fundamental pillars. This policy develops the provisions of Cecabank's Code of Corporate Conduct and, consequently, is linked to its ethical and corporate values, ratifying Cecabank's desire to maintain conduct that respects both the rules and these values, defining its framework of principles in the area of Criminal Compliance.
	In relation to the risk of money laundering and terrorist financing, the entity, in its capacity as an obliged entity, maintains at all times a robust management and control framework, adjusted to the level of risk of the client and the service provided, which ensures that a medium-low overall risk profile is maintained.
	Specifically, the entity takes the necessary measures to prevent its products and services from being used for money laundering or terrorist financing. It also guarantees that the restrictions and controls derived from the financial sanctions programmes agreed by the United Nations, the European Union and, where appropriate, the Spanish authorities or those of the countries in which it operates are fully applied.
	The social initiatives carried out by the entity, which involve the disbursement of funds, are subject to control mechanisms in order to ensure compliance with internal and external procedures and regulations in the operational sphere, the safeguarding of assets and financial accounting information.
Reputational Risk	Reputational risk comes from a wide variety of sources and is characterized by having a very variable perception in its understanding by the various interest groups. Its evaluation will revolve around monitoring the evolution of various indicators that belong to the financial, strategic, operational and sustainability spheres, all of them grouped within the entity's reputational risk scorecard. The result is a quantitative indicator (Global reputational risk indicator). This reputational analysis is completed with that carried out on all those clients with whom the entity intends to establish some type of relationship.
Climate and Environmental Risks	Cecabank considers climate and environmental risk at all stages of its risk management model. They are also incorporated into the bank's organisational structure, in accordance with the three lines of defence model.



Non financial Risks

Main control and management mechanisms

The entity has a Climate and Environmental Risks roadmap, in which it identifies and assesses those risks which, due to our business model, may have an impact on the entity. The entity has established voluntary improvement plans and plans to meet the expectations of regulators and supervisors. These measures have been incorporated into the bank's Sustainability Plan, which includes actions in the Planet block that will enable progress to be made in identifying and managing this type of risk.

It should be noted that the bank manages its climate and environmental risks in the various processes:

- Customer assessment and admission: the bank includes ESG factors in its customer analysis and management procedures (through credit risk admission and monitoring reports and customer reputational risk reports), as well as in its supplier and service analysis reports. Thus, the MTR (Risk Tolerance Framework) establishes a qualitative limit that allows control over them. Overall, the climate and environmental risks in the bank may not exceed the medium-low risk threshold. In addition, these risks are taken into account in the analysis of services.
- Classification and monitoring: Cecabank has a dashboard of ESG indicators that include factors linked to environmental and climate risks. These indicators are reported regularly to both the internal bodies of the entity and the delegated committees of the Board of Directors. In 2023, Cecabank has continued working on measuring the carbon footprint indicator in its investment portfolio.

The entity has worked on the development of its Responsible Investment Policy, which is in the process of approval by the governing bodies, and contemplates, among others, climate change and environmental aspects. In 2023, the entity has worked to incorporate relevant ESG indicators into the framework of the Data Office, improving their governance, definition and management. For more information see section: Carbon Footprint and management of climate-related aspects.

As part of the process of reviewing its policies and procedures, Cecabank has incorporated a qualitative threshold for climate and environmental risks (within the Risk Tolerance Framework) that enables it to monitor these risks. These controls are reported to the bank's management and governance bodies.

• Throughout 2023, the entity plans to work on the development and implementation of a Responsible Investment Policy that takes into account Climate Change and Environmental aspects.

Social and governamental risk

The Corporate Code of Conduct, the Criminal Compliance Policy, the Equality and Conciliation Policy, among other policies of the entity, ensure that ethical principles, equality and diversity are maintained. Specifically, the Equality and Conciliation Policy aims, among others, to promote the possibilities for women to access decision-making positions or functions, or to improve the reconciliation of family and work life. In terms of reporting, Cecabank has started an ambitious plan to improve transparency. It should be noted that in 2021 the entity developed the Non-Financial Information State Control Framework. In this Framework, the entity established three levels of control in the contents of non-financial information: the Sustainability and Relations with Stakeholders department, responsible for preparing the Report, a secondary control carried out by the Coordination



Non financial Risks	Main control and management mechanisms
	and Transversal Risks Unit, integrated within the Risk and Compliance area and a tertiary control carried out by Internal Audit. For more information see sections: Good Corporate Governance, Ethics and Compliance and Our Talent.

Further information on the Bank's risk policy can be found in the Organisational Structure and Governance Practices report, the Bank's Consolidated Management Report, the Information of Prudential Relevance (IRP) report, available on the corporate website, and the General Control Framework.³⁸

Cybersecurity

Cecabank is a critical infrastructure in Spain that aims to ensure the stability of the Spanish financial system. For this reason, cybersecurity is understood as a fundamental pillar of the service and as a key part of the entity's Strategic Technology Plan.

In 2023, work has been carried out on the development of the security actions established in the strategic technology plan, as well as other improvement actions related to internal audits and testing exercises (red team). Security projects have also been carried out related to the new regulations that have recently appeared and to new modalities of security events and technological risks observed through the entity's digital surveillance mechanisms.

Security governance and technological risk

These aspects are periodically monitored by different governing bodies. In this way, the Security and Technological Risk Committee and the Compliance and Operational Risk Committee are responsible for supervising the entity's security in detail, while the Risk Committee and the Audit Committee are responsible for supervising Technology Risk at the highest level of the organization.

The cybersecurity and technology risk action plan is aligned with the strategic technology plan. This plan is monitored through the Digitalisation and Technology Committee. The convergence of both plans is ensured by the participation in this committee of staff from the Risk Area.

Three lines of defence model

In terms of technological and information security risks, Cecabank has a governance model structured in a solid system of three lines of defense, which incorporates the implementation of mechanisms aimed at the detection, mitigation and resolution of security events, including the definition of resilience mechanisms against potential incidents.

The entity's three lines of defence are based on industry governance best practices. The first line of defence, established at the level of the operational and technology departments, maintains the functions associated with the operation and implementation of technical security measures and the execution of corrective and mitigating actions arising from the occurrence of incidents.

The second line of defence is aimed at implementing alerts, monitoring security and managing early warnings, developing and coordinating security projects and reporting incidents.

Finally, the third line, carried out by Internal Audit, has a team specialised in the assessment of cybersecurity and technological risk.

³⁸ Financial reports



Security Mechanism

The year 2023 has seen the implementation of different actions, among which we should highlight the implementation of the entity's current anti-phishing system, the enrollment of all the entity's devices in an MDM, the implementation of a proxy service at the level of all infrastructures or the strengthening of access systems to the entity's intranet and access managed through Wi-Fi. Regarding security governance, improvements have also been made, such as the implementation of procedures for monitoring security in projects from design.

The technological risk measurement system has also been improved through the review of management indicators, and the governance model of risk indicators has been consolidated with systematic reporting to the different governing bodies of the entity. responsible for security risk, (Security and Technological Risk Committee, Compliance and Operational Risk Committee, Risk Committee).

Training and Awareness Raising

In addition to the training and awareness actions that are carried out regularly among the entity's staff, in 2023 group training actions have been carried out focused on specific personnel, made up of employees with privileged users, personnel with access to information confidential, administrative staff with frequent handling of data classified as sensitive, etc. The effectiveness of these training plans is verified through metrics that allow the degree of staff awareness to be evaluated, the results of which are periodically notified to the entity's governing bodies responsible for the entity's cybersecurity.

To carry out this training activity, a specific indicator has been developed that allows us to observe both the sensitivity of employees to security events. This indicator, which is generated quarterly, allows monitoring of the key aspects to be taken into account for the annual training plan.

Additionally, Cecabank carries out monographic training and induction sessions that include the entity's senior management, as well as other periodic communication sessions such as the publication of a monthly cybersecurity bulletin.

By 2023, 100% of employees have received cybersecurity training.

5.4. Responsible supply chain

Cecabank strives to establish fair and stable business relationships based on responsibility, transparency and communication.

5.4.1. Management and governance model

Cecabank has a regulatory framework that guarantees establishing quality relationships with suppliers, as well as control elements that minimize possible risks associated with the supply chain. It is worth highlighting the "Contracting services with suppliers" Standard, which aims to guarantee concurrence in each supply process and the adequate evaluation of suppliers. This standard has been modified in 2023 and approved by the Management Committee, to incorporate the contracting process, as well as the incorporation of all additional questionnaires to analyze the service, the provider and its selection according to the criteria defined by Cecabank.

On the other hand, the entity has the "Policy for outsourcing and contracting services and functions" (the last update of which was approved by the Board of Directors on October 25, 2023), which establishes the mandatory principles, rules and procedures. compliance in the different phases of the process of contracting any service from a supplier. Aspects related to suppliers are supervised at the highest level in the entity, since they are an essential link in its product and service offering.

The Non-Financial Risks and Compliance Division has the function of periodically reporting to the Compliance and Operational Risk Committee and, annually, to the Audit Committee and the Board of Directors of the results of supplier monitoring and to communicate material outsourcing to the competent authorities. Likewise, the supervision of approved outsourcing and possible incidents that may be detected are supervised by the Management Committee.



The Organizational Development Department is in charge of comprehensive supplier management. Among the main objectives of the area is monitoring the continuity of the services provided and the analysis and monitoring of suppliers through the approval process.

In 2023, the entity has continued working on the continuous improvement of processes, trying to streamline purchasing operations, advising the different departments on their outsourcing and participating in centralized negotiation. In 2023, new criteria and controls have been implemented in the approval processes to improve the analysis and management of associated risks and adapt to new regulatory requirements.

5.4.2. Supplier management process

Our Corporate Code of Conduct reflects the entity's aspiration to maintain fair and long-term relationships with our suppliers, based on transparency, communication and responsibility.

Cecabank seeks to transfer its principles and commitments to the value chain, ensuring that the entity's ethical values are shared and respected. To do this, the entity incorporates controls in the different processes:

• Supplier Approval:

Cecabank evaluates the suitability of the suppliers with which it works, through the homologation process, which applies both to outsourced service providers and to contracts of relevant amounts. This process assesses the productive, technical and financial capacity of the supplier, as well as its alignment with the ethical values and sustainability criteria of the entity.

In 2023, the entity has worked to incorporate new criteria to be assessed in the approval process, having modified the requirements for suppliers to adapt to the new requirements in terms of banking supervision in terms of records and resolution, making the approval become more rigorous and severe.

These criteria allow us to ensure that our suppliers are aligned with our ESG policies, incorporating new aspects such as:

Social Aspects	Environmental Aspects	Corporate Governance Aspects				
	It incorporates criteria related to	It includes issues related to the				
policies, Human Rights, diversity and equality, labor practices,	policies in relation to the environment, management models, Carbon Footprint,	corruption policies, prevention and money laundering, ethics and				
among others, are valued.	climate change risks, etc.	adherence to relevant initiatives, among others.				

The double requirement implemented to obtain approval is maintained with the need to pass minimum scores for:

- o The general approval questionnaire, and
- o In the modules related to ESG/Corporate Governance.

Cecabank has a corporate application through which it manages the process of evaluating the quality of service provided by suppliers in an integrated manner with the approval and evaluation processes. Approvals are renewed whenever those responsible consider necessary and at least every two years.

• Operational control audits

Additionally, for those suppliers that are considered critical, the aspects and requirements of the approval process are analyzed in greater detail.



• Contracting clauses

The supplier contracting process incorporates clauses related to the prevention of criminal risks and compliance with the principles included in the Corporate Code of Conduct.

5.4.3. Main magnitudes

Key figures	2022	2023
Registered Suppliers	534	590
General Approvals	68	106
Approvals by Service	5	9
Tendering	16	63
Register of Outsourcing	73	98

In 2023, the entity has worked on new ESG risk indicators in suppliers, which are supervised at the highest level of the organization.

Average supplier score by invoiced amount	Percentage of active suppliers approved with medium ESG score with low/medium low risk
79/100	94%

On the other hand, the entity materializes its commitment to local employment and communities through the hiring of local suppliers. In this sense, in 2023, local suppliers represented 82.40% (82.65% in 2022).³⁹

5.5. Fiscal Responsibility

Cecabank's tax policy seeks to comply with regulations and eliminate any risk that might arise from non-compliance with regulations.

In this regard, the company has a Tax Committee responsible for analysing and interpreting the regulations applicable to Cecabank's activity and for monitoring compliance with formal obligations in the investigation, evaluation and monitoring of possible risks related to this matter. This Committee reports to the Compliance and Operational Risk Committee (CCRO), which in turn regularly reports to the Management Committee and the Board of Directors, through the Audit Committee, on the entity's tax situation.

The consolidated Profit Before Tax (BAI) amounted to 102,787 thousand euros in 2023, and in 2022 it was 92,204 thousand euros, with the following breakdown:

	(thousands of euros)					
	2022	2023				
Spain	92.128	102,876				

³⁹ The 2022 data has been recalculated with respect to that reported in the 2022 EINF due to an improvement in the information systems that has allowed a methodological change in the way the data is calculated.



Belgium	61	(1)
Portugal	15	(88)

Regarding the tax contribution related to profit tax (corporation tax) in 2023, it amounted to 25,701 thousand euros (16,184 thousand euros in 2022) according to the following breakdown:

Spain (thousands of euros) 25,701

For further information on income tax, see note 2.12 to the financial statements of Cecabank, S.A. and its subsidiaries comprising the Cecabank Group.

In 2023, Cecabank has received 3,562 euros in public subsidies for the installation of electric vehicle chargers in its facilities. In 2022, Cecabank did not receive public subsidies.



Appendixes

Appendix I: About this Report

This report on Cecabank's Consolidated Statement of Non-Financial Information is prepared and published in compliance with Law 11/2018, of 28 December, which amends the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on the Auditing of Accounts, in relation to non-financial information and diversity.

For the preparation of this Statement of Non-Financial Information, the internationally recognised Global Reporting Initiative (GRI) Sustainability Reporting Guidelines have been used as a reference standard, following the principles and content defined by the most updated version of the guide, GRI Standards.

In this context, through the Statement of Non-Financial Information, the entity has the objective of reporting on environmental, social, personnel, human rights and anti-corruption and anti-bribery issues that are relevant to the entity in the execution of its business activities. In order to determine these issues, Cecabank carried out a materiality study which can be found in section 1.3. Our Sustainability Management of this Non-Financial Information Statement.

Furthermore, and in accordance with the provisions of Law 11/2018 of 28 December, we hereby inform you that this Statement of Non-Financial Information forms part of the Cecabank Group's Consolidated Management Report and is presented in a separate document.



Appendix 2: Comparison of the number of employees by professional category in 2023 and 2022

Number of employees by age

<3	80	30	-50	>50				
2022	2023	2022	2023	2022	2023			
26	24	318	305	128	137			

Number of employees by professional category

	Lev	rel I	Le	vel II	Lev	el III	Leve	l IV	Leve	el V	Leve	el VI	Leve	el VII	Leve	VIII	Leve	el IX	Lev	el X	Leve	l XI	Leve	el XII	Leve	el XIII	Level XIV
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022 2023
Group 1																											
Men	5	5	3	5	18	17	23	25	35	31	49	50	30	33	30	30	7	4	8	9	6	5	13	15	1	1	1 -
Women	3	3	2	. 3	11	10	17	16	27	27	46	42	36	47	58	48	10	8	8	9	7	10	14	8	-	1	
Group 2																											
Men	1	1	1	1	-		1	1	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	
Women	-				-	-	1	1	-		-		-	-	-	-	-	-	-	-	-		-	-	-	-	

Leave by gender

Period	Gender	ERE	Voluntary termination	Does not pass trial period	Dismissal	Voluntary leave and contract suspension	Terminations	Retirement	Total
	Female	20	0	1	0	0	0	0	21
2022	Male	15	5	5	1	1	1	1	29
2022	Female	7	2	0	1	0	1	0	11
2023	Male	3	1	1	3	0	2	0	10



Dismissals for gender

Gender	2022	2023
Female	0	1
Male	1	3
Total	1	4

Layoffs by age group

Age Range	2022	2023	
> 50	1	1	
30 - 50	0	3	
Total	1	4	

Layoffs by professional category

Age Range	2022	2023
Group 1. Level V	0	3
Group 1. Level VI	1	0
Group 1. Level X	0	1
Total	1	4



Appendix III: Comparison of training hours in 2023 and 2022

TRAINING HOURS PER LEVEL 2023

	- 1	П	Ш	IV	٧	VI	VII	VIII	IX	X	ΧI	XII	XIII	XIV
Group 1	215	444	1,043	1,645	1,991	3,344	4,394	2,588	351	855	632	1,780	61	0
Group 2	5	10	0	147	0	0	0	0	0	0	0	0	0	0
Total	220	454	1,043	1,792	1,991	3,344	4,394	2,588	351	855	632	1,780	61	0

TRAINING HOURS PER LEVEL 2022

	- 1	П	Ш	IV	٧	VI	VII	VIII	IX	X	ΧI	XII	XIII	XIV
Group 1	239	364	2.610	2.222	2.505	2.963	2.006	2.659	586	886	728	1.050	86	22
Group 2	2	3	0	252	0	0	0	0	0	0	0	0	0	0
Total	241	367	2.610	2.474	2.505	2.963	2.006	2.659	586	886	728	1.050	86	22



Appendix IV: Comparison of the Tú eliges 2022

Category	Beneficiary association	Amount
Social	Fundación INTHEOS	15,000 €
Social	Asociación Española de Esclerosis Lateral Amiotrófica (adELA)	13,000 €
Social	STOP HATERS	10,000 €
Social	Fundación Luz Casanova	7,500 €
Social	Fundación Menudos Corazones	7,500€
Social	ANPE, Asociación Nacional de Personas con Epilepsia	7,500 €
Social	Casa San Cristóbal Fundación Montemadrid	7,500 €
Social	Asociación Española de Discinesia Ciliar Primaria	5,000 €
Social	Asociación ASEMPA	5,000 €
Social	Fundación UNICAP	5,000 €
Social	Fundación Emalaikat	5,000 €
Cultural	Fundación Osos del Pardo Rugby Club	3,000 €
Social	Asociación Amigos de la Pouponniere Medina-Dakar	3,000 €
Environmental	BRINZAL	3,000 €
Cultural	33% Cultura Sin Límites	3,000 €
Total Aid		100,000€



Appendix V: Table of compliance with Law 11/2018 (28 December)

Below, a table of compliance with Law 11/2018 is reported, the objective of which is to detail in which section of this Statement of Non-Financial Information the requirements of the same is answered, as well as to identify the reporting standard that has been used for this objective.

Contents of Law 11/2018 INF	Chapter of the NFS where the information is collected	Associated GRI indicator
Business Model		
Business environment and business model	1.1.Our Business Model	
Organisation and structure	1.1. Our Business Model	GRI 2-1 GRI 2-2
Markets in which it operates	1.1. Our Business Model	GRI 2-2 GRI 2-6
Objectives and strategies	1.1. Our Business Model	GRI 2-22
Main factors and trends that may affect its future development	1.1. Our Business Model1.2. Our corporate culture1.3. Our sustainability management4.2. Sustainable Finances	
Policies	They are detailed in each of the corresponding sections of this report, by virtue of the subject matter covered.	GRI 3
Main risks	5.3. Risk Management	GRI 205-1 GRI 413-1
Environmental Issues		
Global		
Environmental, health and safety impacts of the company's activities and environmental assessment or certification procedures;	3. Planet	GRI 3
Precautionary principle, the number of provisions and safeguards for environmental risks	3. Planet	GRI 2-23
Resources dedicated to environmental risk prevention	3. Planet	GRI 2-23
Pollution		
Measures to prevent, reduce or remediate carbon emissions that seriously affect the environment, taking into account any form of activity-specific air pollution, including noise and light pollution	3.2. Environmental management at Cecabank	GRI 305-5



Contents of Law 11/2018 INF	Chapter of the NFS where the information is collected	Associated GRI indicator
Circular economy and measures for waste prevention, recycling, reuse, other forms of recovery and disposal.	3.2. Environmental management at Cecabank	GRI 306-1
Actions to combat food waste	Not Material	GRI 3
Sustainable use of resources		
Water consumption and water supply according to local limitations	3.2. Environmental management at Cecabank	GRI 303-5
Consumption of raw materials and the measures taken to improve the efficiency of their use	3.2. Environmental management at Cecabank	GRI 301-1
Energy: Consumption, direct and indirect; Measures taken to improve energy efficiency, Use of renewable energy	3.2. Environmental management at Cecabank	GRI 302-1
Climat change		
Emissions of greenhouse gases	3.1. Carbon Footprint and management of climate-related aspects	GRI 305-1 GRI 305-2
Measures adopted to adapt to the consequences of Climate Change	3.1. Carbon Footprint and management of climate-related aspects	GRI 3
Reduction goals voluntarily established in the medium and long term to reduce GHG emissions and means implemented to this end.	3.1. Carbon Footprint and management of climate-related aspects	GRI 3
Protection of biodiversity		
Measures taken to preserve or restore biodiversity	No Material	GRI 3
Impacts caused by activities or operations in protected areas	No Material	GRI 3
Social and personnel issues		
Employment		
Total number and distribution of employees by sex, age, country and professional classification	2.1. Our talent	GRI 2-7
Total number and distribution of employment contract types	2.1. Our talent	GRI 2-7
Annual average of indefinite, temporary and part-time contracts by sex, age and professional classification	2.1. Our talent	GRI 2-7
Number of dismissals by sex, age and professional classification	2.1. Our talent	GRI 401-1
Average salaries and their evolution disaggregated by sex, age and professional classification or equal value	2.1. Our talent	GRI 405-2



Contents of Law 11/2018 INF	Chapter of the NFS where the information is collected	Associated GRI indicator
Wage Gap, the remuneration of equal or average jobs in society	2.1. Our talent: Working conditions (Remuneration) (Social benefits)	GRI 405-2
Average remuneration of directors and executives, including variable remuneration, allowances, compensation, payment to long-term savings pension systems and any other perception disaggregated by sex	2.1. Our talent: Working conditions (Remuneration)	GRI 2-19 GRI 2-20 GRI 2-21
Implementation of work disconnection measures	2.1. Our talent: Conciliation and equality	GRI 3
Employees with disabilities	2.1. Our talent: Conciliation and equality	GRI 405-1
Organization of working time		
Organization of working time	2.1. Our talent: Working Conditions	GRI 3
Number of hours of absenteeism	2.1. Our talent: Working Conditions	GRI 403-9 GRI 403-10
Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these by both parents.	2.1. Our talent: Working Conditions	GRI 3
Safety and health		
Health and safety conditions at work	2.1. Our talent: Security and health	GRI 3
Work accidents (frequency and severity) disaggregated by sex	2.1. Our talent: Security and health	GRI 403-9 GRI 403-10
Occupational diseases (frequency and severity) disaggregated by sex	2.1. Our talent: Security and health	GRI 403-9 GRI 403-10
Social Relationships		
Organization of social dialogue, including procedures for informing, consulting and negotiating with staff	2.1. Our talent: Working Conditions	GRI 3
Mechanisms and procedures that the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation.	2.1. Our talent: Working Conditions	GRI 3
Percentage of employees covered by collective agreement by country	2.1. Our talent: Working Conditions	GRI 2-30
Balance of collective agreements, particularly in the field of health and safety at work	2.1. Our talent: Working Conditions	GRI 403-4
Training		
Policies implemented in the field of training	2.1. Our talent: Working conditions (Training)	GRI 3



Contents of Law 11/2018 INF	Chapter of the NFS where the information is collected	Associated GRI indicator
Total number of training hours by professional categories	2.1. Our talent: Working conditions (Training)	GRI 404-1
Total number of training hours by professional categories	2.1. Our talent: Working conditions (Training)	GRI 3
Equality		
Measures adopted to promote equal treatment and opportunities betweer men and women	2.1. Our talent: Conciliation and equality	GRI 3
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment and the integration and universal accessibility of people with disabilities	2.1. Our talent: Conciliation and equality	GRI 3
Policy against all types of discrimination and, where appropriate, diversity management	2.1. Our talent: Conciliation and equality	GRI 3
Human rights		
Application of due diligence procedures in human rights	2.2. Social Commitment: with Human Rights	GRI 3
Prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	2.2. Social Commitment: with Human Rights	GRI 3
Complaints for cases of human rights violations	2.2. Social Commitment: with Human Rights	GRI 406-1
Promotion and compliance with the provisions of the fundamental ILO Conventions related to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the	2.2. Social Commitment: with Human Rights	GRI 3
elimination of forced or compulsory labor and the effective abolition of child labor		
Corrupción y soborno		
Measures adopted to prevent corruption and bribery	5.2. Ethics and compliance: corruption and bribery	GRI 2-23 GRI 2-26 GRI 205-1 GRI 205-3
Measures to combat money laundering	5.2. Ethics and compliance: corruption and bribery	GRI 205-2
Contributions to foundations and non-profit entities	5.2. Ethics and compliance: corruption and bribery	GRI 413-1
Society		



Contents of Law 11/2018 INF	Chapter of the NFS where the information is collected	Associated GRI indicator					
Company commitments to sustainable development							
Impact of the society's activity on employment and local development, local populations and the territory	2.2. Social Commitment: with our environment	GRI 413-1					
Relationships maintained with local community actors and the modalities of dialogue with them	2.2. Social Commitment: with our environment	GRI 2-29					
Association or sponsorship actions	2.2. Social Commitment: with our environment	GRI 2-28					
Subcontracting and suppliers							
Inclusion in the purchasing policy of social, gender equality and environmental issues	5.4. Responsible supply chain	GRI 2-6					
Consideration in relationships with suppliers and subcontractors of their social and environmental responsibility	5.4. Responsible supply chain	GRI 308-1 GRI 414-1					
Supervision and audit systems and their results	5.4. Responsible supply chain	GRI 3					
Consumers							
Measures for the health and safety of consumers	No Material	GRI 3					
Complaint systems, complaints received and their resolution	4.1. Our clients	GRI 416-2					
Fiscal Information							
Benefits obtained by country	5.5. Fiscal responsability	GRI 3					
Taxes on profits paid	5.5. Fiscal responsability	GRI 3					
Public subsidies received	5.5. Fiscal responsability	GRI 201-4					

