



| 2023 - June 2024

CLIMATE REPORT

Progress and transition plan



Interactive
document

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Letter from the Chairman



LETTER FROM THE CHAIRMAN



We are living through a period of deep global tensions and uncertainties. The fundamental changes that have been observed for years in the geostrategic and economic spheres have accelerated. We are moving from a globalised and multilateral economy to a more restrictive and fragmented one. Supply chains are being redesigned to be shorter, more local and more geopolitically aligned to avoid dependencies. Government policies are shifting towards greater protectionism and public interventionism.

In this complex environment, the energy transition takes on a new strategic dimension, particularly in the European Union. The sustainable transition remains the central action in response to the climate emergency, but in the current context, decarbonisation has also become synonymous with autonomy and energy security for Europe. We have the opportunity to correct strategic vulnerabilities, such as our energy dependence and to close competitiveness and growth gaps with other regions. And within Europe, Spain, thanks to its geographical position, the abundance of renewable energy resources and the country's proven experience in developing them has a great opportunity to lead this transition.

With this vision, at CaixaBank, we consider it a priority to advance the transition towards a carbon-neutral economy that is environmentally sustainable and socially inclusive, as outlined in the ambitions of our 2022-2024 Sustainable Banking Plan.

And for this purpose, we continue to develop a large number of initiatives and commitments, which should help us to continue to be a leading company in terms of sustainability.

In particular, this year we finalised the 2030 decarbonisation targets for all Net-Zero Banking Alliance (NZBA) sectors within the framework of our commitments as a founding member of

the Alliance, commitments that will lead us to a carbon neutral funding portfolio by 2050. In parallel, we have increased our focus on nature, so that, following the Board's approval of the Statement on Nature, we have defined our roadmap for the coming years.

As part of the initiatives we promote and the sustainable financing and investment solutions we offer, last June we surpassed the sustainable finance mobilisation target of €64 billion set in the 2022-2024 Strategic Plan, exceeding the goal by 105%. Regarding our own bond issuances, we have completed the seventh and eighth green bond issuances, meaning that, as of 30 June, we have completed eight green bond issuances with a total accumulated amount of €7.15 billion since their inception in 2020.

In our quest for continuous improvement, we continue to update our key sustainability policies and principles, benchmarked against market best practice and supervisory expectations. As a result, the market has once again recognised our commitment, as reflected in the significant sustainability recognitions we have received, such as achieving, for the third consecutive year, the highest score of "A" from CDP, a leading analyst in the field of sustainability, and renewing the Leadership category for the tenth consecutive year.

I cannot close without remembering all the victims of the catastrophe caused by the DANA in Spain and reiterating CaixaBank's support for the recovery of all the people and areas affected. Such situations further underline the need for better knowledge and control of the risks resulting from climate change to which we are exposed.



José Ignacio Goirigolzarri

Chairman

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Executive summary

EXECUTIVE SUMMARY

/ STRATEGY



- **2022-2024 Strategic Plan¹** aims to establish CaixaBank as a leader in sustainability in Europe. CaixaBank is currently working on its next 2025-2027 Strategic Plan, aiming to further strengthen its position within the sector.
- **Materiality Assessment** carried out with the aim of identifying and prioritising those areas that may generate significant environmental, social and governance (ESG) impacts.
- **2022-2024 Sustainable Banking Plan²** represents CaixaBank's proposal during this period to address challenges such as inequality, climate change and the promotion of a new energy model.
- **Stakeholder engagement actions** carried out to ensure the success of the 2022-2024 Sustainable Banking Plan
- **ESG 360° Training Plan** aimed at the entire CaixaBank workforce and linked to the bonus.
- **Plan for involvement of CaixaBank Asset Management and VidaCaixa**, whose priority issues are climate change, human rights, good governance and good social practices.
- **Environmental and climate strategy** aims to contribute to the sustainable transition, setting the challenge of accelerating the transition to a carbon neutral economy, taking into account biodiversity and ecosystems.
- **2022-2024 Environmental Management Plan**, which has eight lines of action aimed at reducing impacts based on innovation and efficiency, focusing on reducing emissions from the activity itself and from the value chain.
- **Guide for Identifying Sustainable Financing³** which aims to define the criteria to consider CaixaBank's financing arrangements for individuals and companies as sustainable, as well as their contribution to the Sustainable Development Goals (SDGs).
- **Climate risks**, considered part of environmental risks, are risks associated with climate change that can potentially affect people, natural ecosystems and economic sectors.
- CaixaBank continues to work towards meeting the **requirements of IFRS⁴ S2 Climate-related Disclosures**, focusing on the management and analysis of the risks and opportunities arising from climate change that may materially impact the Bank's financial statements, its access to financing or the cost of capital in the short, medium or long term.

/ GOVERNANCE



- **Sustainability and climate change governance system.** The **risks and opportunities related to climate change** are monitored by the Board of Directors and Senior Management.
- The Board of Directors is ultimately responsible for the **approval of the strategy and principles of action regarding sustainability**, which include CaixaBank's approach to environmental matters, climate change, and nature.
- CaixaBank bases its internal control on the **three lines of defence model**.
- **Annual and multi-year variable remuneration linked to ESG factors.**

¹ [2022-2024 Strategic Plan](#)

³ [Sustainable Finance Identification Guide](#)

² [2022-2024 Sustainable Banking Plan](#)

⁴ [Financial Reporting Standards](#)

/ RISK MANAGEMENT



- **ESG Materiality Assessment** as the basis for a proportionate deployment of ESG risk management processes, with a detailed focus on climate risks, as well as the management of nature-related risks.
- **Analysis of the climate scenarios** of the Network for Greening the Financial System (NGFS) as a fundamental tool for the assessment of climate risks, which have a greater materiality in the short, medium and long term on the Group's assets.
- **Quantitative framework for measuring climate risks**, that projects and tracks the impacts of climate risk on credit risk, with the objective of strengthening the comprehensive climate risk assessment process.
- **Corporate Sustainability/ESG Risk Management Policy**, which regulates the management of ESG risks, including climate risk⁵.
- **ESG onboarding**, as ESG a risk analysis integrated into both the customer onboarding process and the financing approval and admission process.
- **Circuit for intra-CaixaBank Group coordination in relation to ESG controversies** linked to companies with which the Group has or seeks to have a relationship.
- CaixaBank applies the **Equator Principles** to specific operations, with potential environmental and social risks, including those related to human rights, climate change and biodiversity.

/ METRICS AND OBJECTIVES



- CaixaBank is committed to sustainability through the **design and marketing of products that integrate ESG criteria**.
- The Bank has committed to becoming carbon neutral by 2050 through its commitment as a founding member of the **Net-Zero Banking Alliance (NZBA)**, as well as aligning itself with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.
- **Calculation of the carbon footprint**, both operational and financed.
- CaixaBank defined **decarbonisation pathways** for all the most emission-intensive sectors indicated in the UNEP FI Guidelines for Target Setting in order to achieve net zero carbon emissions by 2050, taking as a reference the guidelines defined by PCAF (Partnership for Carbon Accounting Financials).
- The **eligibility ratio** is published for the first time for the four remaining targets and for the new activities added in 2023 to the climate targets.
- Within the framework of Pillar 3, the Bank **monitored climate risk-related metrics on a semi-annual basis**.

⁵ [Corporate Sustainability/ESG Risk Management Policy](#)

Key developments in the report

/ MATERIALITY ASSESSMENT METHODOLOGY:



The 2023 Materiality Assessment continued to evolve towards the perspective of **double materiality** (financial materiality and impact materiality), incorporating the main methodological recommendations to adapt the study to the requirements established by the new Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standard (ESRS).

/ PROGRESS ON TRANSPARENCY:



CaixaBank has continued to make progress in improving transparency and its management model for **investments under ESG criteria**, acting in line with the Principles of the Global Compact and the Principles for Responsible Investment (PRI), and also in strict compliance with European regulations: the **SFDR⁶** and the **European Union's Green MiFID**.

/ NATURE:



CaixaBank has made public its **Statement on Nature** with the aim of integrating the nature axis into its climate strategy.

New section on **nature-related risk management**

/ ADVANCES IN SUSTAINABILITY ENGAGEMENT:



New **engagement** actions with customers in some of the sectors with the greatest impact on nature.

/ ADVANCES IN TRAINING:



The Bank has approved the ESG 360° Training Plan, under which all employees have been trained on this matter.

35,489 people trained

199,519 training hours (linked to bonus)

/ NEW EMISSIONS CALCULATION:



CaixaBank has incorporated **new sectors** into the calculation of the financed carbon footprint.

⁶ Sustainable Finance Disclosure Regulation

/ NEW DECARBONISATION TARGETS:



The Bank has set **decarbonisation targets for 2030** in new sectors such as commercial real estate, residential real estate, maritime aviation, and agriculture. With this, CaixaBank covers all the sectors established by NZBA.

/ NEW TRANSITION PLANS:



CaixaBank has defined **new transition plans** for the coal, commercial real estate, residential real estate, marine, aviation and agricultural sectors, covering all NZBA sectors.

Net Zero by 2050

/ NEW PRODUCTS:



In relation to sustainable transition and the **mitigation and adaptation to climate change**, new sustainable products and services have been launched

/ PUBLICATION OF THE GREEN ASSET RATIO (GAR) AND GREEN INVESTMENT RATIO (GIR):



CaixaBank published for the first time the **GAR and GIR** for the **climate change mitigation and adaptation objectives**.

/ TRANSITION PLAN:



New **Transition Plan Equivalency Table**.

/ CLIMATE REPORT TRANSPARENCY:



The report includes an alignment exercise with respect to the **requirements and recommendations** of the recently dissolved **TFCD** initiative, which will be replaced by **IFRS** CaixaBank is working to respond to the requirements of IFRS S2 Climate-related Disclosures.

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Climate and environmental commitments

CLIMATE AND ENVIRONMENTAL COMMITMENTS⁷

		2020 Actual	2021 Actual	2022 Objective	2022 Actual	2023 Objective	2023 Actual	2024 Objective	2030 Objective
Global operational emission (t CO ₂ e)			28,186 ⁸	-12.9%	24,835 (-31.7%)	-15.8%	24,400 (-32.9%)	-19.3%	
Use of renewable energy			98%	100%	100%	100%	100%	100%	
Offset operational emissions			100% ⁹	100%	100%	100%	100%	100%	
Paper consumption (t)			1,246	-8%	815	-12%	902	-15%	
Energy consumption (MWh)			302,319 ¹⁰	-6%	259,726	-8%	233,472	-10%	
Mobilisation of sustainable finances ¹¹ (€billion)			18.5	19.2	23.6	40.2	50.8	64	
Financed emissions	Oil and gas (Mt CO ₂ e)	Scope 1, 2 and 3	9.1 ¹²	7.5	7.4	5.64	6.99 (-23%)		
	Electricity (kg CO ₂ /MWh)	Scope 1	136 ¹³	111	118	104.7	95 (-30%)		
	Auto (g CO ₂ /vkm)	Scope 3 ¹⁴			154	145.6	103 (-33%)		
	Iron and steel (kg CO ₂ e/t steel)	Scope 1 and 2			1,230	1,141	1,107-984 (-[10-20]%)		
	Coal (€M)	N/A			2,845 ¹⁵	3,154 (295 considering mitigating factors)	0 (-100%)		
	Commercial Real Estate (Kg CO ₂ e/m ²)	Scope 1 and 2			20.5	20.1	12.1 (-41%)		
	Residential Real Estate (Kg CO ₂ e/m ²)	Scope 1 and 2			23.57	23,7	19.03 (-19%)		
	Naval Sector (% alignment)	Scope 1			11.9	N/A	0 (-11.9 p.p.)		
	Aviation (g CO ₂ e/RPK)	Scope 1			102	115.4	71 (-30%)		
	Agriculture & livestock	Direct emissions ("on farm") and feed			Objective calculated with a focus on improving the knowledge and profiling of individual customers and the sector in general.				

.....> From... to... Cumulative target 2022-2024

⁷ CO₂e=CO₂ equivalent. Includes the following greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃.
⁸ For the calculation of the Scope 1 target, CaixaBank's refrigerant gas emissions data will take the average for the period 2019-2021 as the baseline year. For the calculation of the Scope 3 target, CaixaBank's corporate travel emissions data will take 2019 (prior to COVID-19 restrictions) as the base year of reference. The Scope 3 perimeter calculated in 2021 consisted of the sum of the historical Scope 3 perimeters of each entity (CaixaBank and Bankia). For the calculation of compliance with the objectives for 2022, 2023, and 2024, a new unified perimeter has been used, which modifies the figure previously published for 2021 in the 2021 - June 2022 climate report. The carbon footprint value for 2021, incorporating these changes and serving as the baseline to assess compliance with the objectives outlined in this report, is 36,382 t CO₂e. By 2022, the overall operational emissions reduction corresponds to 31.7% of this value. Scope 3 does not include category 15, Investments.
⁹ Does not include data for category 3.6 of the Group's companies.
¹⁰ Energy consumption data updated with the latest invoices received.

¹¹ For the period 2022-2024, figure refers to the cumulative figure. The target figures correspond to the timing of the €64,000 target at the start of the Sustainable Banking Plan 2020-2024. The 2021 value published in the previous climate report 2021 - June 2022 took into account only sustainable finance.
¹² Value considering Scope 1, 2 and 3 emissions from customers and parts of the value chain within the target setting perimeter. The value differs from that previously published in the 2021-June 2022 Climate Report, see details in the Metrics and Targets section, section Decarbonisation Targets (Oil and Gas).
¹³ Value considering Scope 1 emissions from customers and parts of the value chain within the target setting perimeter.
¹⁴ Scope 3 emissions, category 11 are covered: tank-to-wheel.
¹⁵ €213 million considering mitigating factors. Mitigating factors are considered to be phase-out commitments <= 2030 or renewable financing only.



04
Introduction

INTRODUCTION

According to the latest report (AR6)¹⁶ by the Intergovernmental Panel on Climate Change (IPCC), published in 2023, climate change **caused by human activity is the result of over a century of net Greenhouse Gas (GHG) emissions¹⁷** arising from energy use, land use and land-use change, lifestyle and consumption and production patterns.

The reductions in CO₂ emissions from fossil fuels and industrial processes, due to improvements in energy intensity and carbon intensity of energy, have been smaller than the increases in emissions due to increased levels of industrial activity globally.

Human-induced climate change is already impacting numerous extreme weather and climate events in different regions of the world. There is evidence of alterations observed in extreme events such as heat waves, heavy rainfall, droughts and tropical cyclones.

It is one of the major challenges facing the planet, with adverse effects on the physical environment and biodiversity, society and the economy. It is a source of physical and transitional risks, as well as opportunities for countries, businesses and people.

The decisions made during COP27 regarding the ambition of countries to reduce greenhouse gas emissions, adaptation and mitigation of the consequences of climate change were re-affirmed at COP28 along with efforts to boost support for financing, technology and capacity building needed by developing countries.

¹⁶ Sixth IPCC report (AR6)

¹⁷ Mainly CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃.

CaixaBank's role in the transition to a decarbonised economy

CaixaBank considers it essential to accelerate the transition to a carbon neutral economy that promotes sustainable development and is socially inclusive. This requires urgent action from the public and private sectors and from society in general through the development of long-term climate strategies which are aligned with the objectives of the Paris Agreement and the United Nations Sustainable Development Goals.

Financial institutions play a key role in the implementation of these objectives, both directly, through their own operations and indirectly, through their relationships with customers, investee companies, business partners and the value chain. For this reason, CaixaBank is one of the founding members of the **Net-Zero Banking Alliance (NZBA)** and has made a public commitment to be greenhouse gas neutral by 2050. This objective is one of the main pillars of the sustainability strategy and the 2022-2024 Sustainable Banking Plan.

In addition, the CaixaBank Group has an environmental and climate strategy aimed at contributing to the transition to a carbon neutral and more sustainable economy by financing and investing in sustainable projects, managing environmental and climate risk and reducing the impact of its operations.

Transparency in reporting high-quality climate data is essential to support the integration of climate-related issues in the functioning and risk management of the financial sector and in the transition to a sustainable, low-carbon economy. This is why financial institutions must identify, assess and manage the risks and opportunities arising from climate change that have an impact on their operational, financing and investment activities.

Aware of the importance of transparently disclosing and reporting on the impact that climate change-related risks and opportunities have on its activity, CaixaBank has aligned its climate report with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), developed by the Financial Stability Board (FSB), taking into account the additional recommendations established for the banking sector, with the aim of continuing to improve its transparency practices year after year.

The Task Force on Climate-related Financial Disclosures (TCFD), considers that its recommendations provide a single, accessible framework for climate-related financial disclosures. However, in its Status Report 2023, it reports that shortly after the publication of the standards, the FSB pointed out that the ISSB Standards represent the culmination of the Working Group's work and that the TCFD would be disbanded following the publication of the report, with the integration of its climate-related financial disclosures into the ISSB Standards (IFRS).

The IFRS Foundation will be responsible for monitoring companies' progress on climate-related disclosures from 2024. Specifically, the IFRS S2 aims to require companies to disclose information about their climate-related risks and opportunities that is useful to different stakeholders for the purpose of assisting decision-making inside and outside companies. Given the recent dissolution of the TCFD, the table of compliance with the TCFD recommendations will be republished in Appendix 3 to this report. Appendix 4 contains a mapping to identify all the elements that, according to the recommendations of the Glasgow Financial Alliance for Net-Zero (**GFANZ**), a **transition plan** should include, and which are detailed in various sections of this Climate Report.

The preparation of this third climate report ensures the transparency, reliability and completeness of the information reported, showing the progress made in climate matters, in line with the CaixaBank Group's commitment to a model of transparent corporate communication of the highest quality and scope towards its stakeholders.



Main CaixaBank Group climate milestones

2007-2017

- Signatory of the **Equator Principles**, CaixaBank
- **Principles for Responsible Investment (PRI)**, VidaCaixa
- **ICMA / The Green Bond Principles**, CaixaBank
- **Spanish Group for the Green Growth**, CaixaBank (founding member)
- Creation of the **CaixaBank AgroBank Chair of Quality and Innovation in the agri-food sector** by the Universitat de Lleida (UdL)
- **Principles for Responsible Investment (PRI)**, CaixaBank Asset Management
- **Task Force on Climate-related Financial Disclosures (TCFD)**, CaixaBank

2018-2020

- Creation of the **Corporate Environmental Risk Management division**, CaixaBank
- **United Nations Environment Programme Finance Initiative (UNEP FI)**, CaixaBank
- Inclusion of the **environmental factor as a priority** in the Socially Responsible Banking Plan 2019-2021, CaixaBank
- Creation of the **Environmental Risk Management Committee**, CaixaBank
- Publication of the **Environmental Risk Management Policy**, CaixaBank
- **Collective Commitment to Climate Action (CCCA) of UNEP FI**, CaixaBank
- **Principles for Responsible Banking (PRB)** of UNEP FI, CaixaBank
- Participation in the **TCFD pilots**, CaixaBank
- First **Statement on Climate Change**, CaixaBank
- Publication of the **Framework for the Issuance of Bonds linked to the Sustainable Development Goals** by CaixaBank.
- Participation in the **TCFD pilots**, CaixaBank
- Participation in the **UNEP FI Taxonomy working group** (phase 1), CaixaBank
- Incorporation of **environmental risk in the risk catalogue**, CaixaBank
- Green Recovery Call to Action initiative, CaixaBank
- Inaugural issuance of **green bond** for €1,000 million, CaixaBank
- **Climate Action 100+**, VidaCaixa and CaixaBank Asset Management
- **Task Force on Climate-related Financial Disclosures (TCFD)**, VidaCaixa
- **Principles for Sustainable Insurance (PSI)**, VidaCaixa
- **Principles for Responsible Investment (PRI)**, BPI Gestão de Activos
- **Climate Action 100+**, BPI Gestão de Activos
- Letter of **commitment to sustainable financing**, BPI
- Publication of the **Environmental Risk Management Policy**, BIS
- **Lisbon European Green Capital 2020**, BPI

2021-2022

- Creation of the **Sustainability Department**, CaixaBank
- Creation of the **Sustainability Committee**, CaixaBank
- Inclusion of **sustainability in the Appointments and Sustainability Committee**, CaixaBank
- Participation in the **TCFD pilots**, CaixaBank
- Participation in the **UNEP FI Taxonomy working group** (phase 2), CaixaBank
- **Net-Zero Banking Alliance (NZBA)**, CaixaBank founding member
- **Task Force on Climate-related Financial Disclosures (TCFD)**, CaixaBank Asset Management and BPI Gestão de Activos
- **European Clean Hydrogen Alliance**, CaixaBank
- **Partnership for Carbon Accounting Financials (PCAF)**, CaixaBank
- Issue of **5 green bonds**, four for €1 billion each and one for 500 M GBP, CaixaBank
- Creation of the **Climate Risk Division** within the Sustainability Division, CaixaBank.
- Publication of the **Sustainability Principles**, CaixaBank, BPI, CaixaBank Asset Management and VidaCaixa
- Update of **Statement on Climate Change**, CaixaBank, BPI, CaixaBank Asset Management and VidaCaixa
- First Spanish bank to adhere to the **Poseidon Principles**, CaixaBank
- First **decarbonisation pathways for oil, gas and power**, CaixaBank
- UNEP FI led pilots in support of **Task Force on Nature-related Financial Disclosures (TNFD)**, CaixaBank
- Signing of the **Financial Sector Statement on Biodiversity** for COP15, CaixaBank
- Publication of the **Principles for Action of the Corporate Sustainability/ESG Risk Management Policy**, CaixaBank
- Publication of the **Financing Framework linked to the Sustainable Development Goals**, CaixaBank
- Publication of **interim decarbonisation targets for 2030** of the loan portfolio under the NZBA initiative, CaixaBank
- Publication of **first Climate Report**, CaixaBank.
- Publication, on a voluntary basis, of the **Statement of Principal Adverse Impacts of Investment Decisions on Sustainability Factors**, CaixaBank, CaixaBank Asset Management and VidaCaixa.
- First Spanish insurer to join **Net-Zero Asset Owners Alliance (NZAOA)**, VidaCaixa
- **Manifesto for COP27 – BCSD**, BPI

2023

- Promotion of the **Sustainability Training Plan** (linked to bonuses) aimed at the entire workforce, CaixaBank
- Creation of the **sustainability benchmarking programme**, CaixaBank, CaixaBank Asset Management, VidaCaixa and BPI
- Approval of the **ESG dispute management circuit**, CaixaBank
- Publication of **interim 2030 decarbonisation targets** for corporate investments under the NZAOA initiative, VidaCaixa
- Publication of the **Guide for Identifying Sustainable Financing**, CaixaBank
- Publication of the **Principles for Action of the Sustainability/ESG Risk Management Policy**, BPI
- Publication of the **Issuer Engagement Plan** by VidaCaixa and CaixaBank Asset Management
- Creation of **Corporate scorecard for monitoring sustainability**, CaixaBank
- Development and availability of a **tool for calculating customers' carbon footprint**, CaixaBank
- Publication of the second **Major Adverse Sustainability Impact Statement of investment decisions on sustainability factors** (PIAS), CaixaBank (as advisor and as market participant), VidaCaixa, CaixaBank Asset Management, CaixaBank Asset Management Luxembourg, CaixaBank WM Luxembourg (as advisor and as market participant), Banco BPI (as advisor and as market participant), BPI GA and BPI VP
- Renewal of the **AENOR Sustainable Finance Certification**, VidaCaixa and CaixaBank Asset Management
- Adherence to the **Principles for Responsible Banking**, BPI
- Membership of **Act4Nature**, BPI
- **Awarded by Global Finance** for its **global leadership in ESG lending** and for its support of society in Western Europe, CaixaBank
- **Plan to boost the green transition of companies**, CaixaBank
- **Sustainable Finance Observatory** focusing on sustainable finance and its role in the transition to a decarbonised economy and the 2030 Agenda for Sustainable Development CaixaBank Asset Management (2023), CaixaBank Asset Management
- Publication of the **Coal phase-out**, CaixaBank
- Publication **2023 Annual Dialogue and Voting Report**, CaixaBank Asset Management
- Publication of **second Climate Report**, CaixaBank.
- Adherence to Spring – **Initiative for collaborative dialogue on nature**, promoted by PRI, VidaCaixa and CaixaBank Asset Management
- Adherence to **The Transition Pathway Initiative (TPI)**, CaixaBank Asset Management and BPI Gestão Activos
- Adherence to collaborative dialogue 2024 **Global Investor Statement to Governments on the Climate Crisis**, VidaCaixa and CaixaBank Asset Management and BPI Gestão Activos

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- Adherence to **Pegasus Principles** promoted by Climate Aligned Finance Standard for the Aviation Sector, CaixaBank
- Awarded by Global Finance as "**Best Bank in the World for its support to Society 2024**", CaixaBank
- Issuance of a €1.25 billion **green bond**, CaixaBank
- Achievement of the **sustainable mobilisation objective for 2022-2024**, CaixaBank
- Update to the **Human Rights Principles**, CaixaBank
- Update to the **Statement on Climate Change**, CaixaBank
- Update to the **Principles for Action in Sustainability**, CaixaBank
- Update to the **Principles for Action of the Corporate Sustainability/ESG Risk Management Policy**, CaixaBank
- Publication of **first Statement on Nature**, CaixaBank
- Publication of the **remaining decarbonisation targets in the framework of the Net-Zero Banking Alliance (NZBA)**, CaixaBank and BPI
- Publication of **first Climate Report**, VidaCaixa.
- Publication of the third **Major Adverse Sustainability Impact Statement of investment decisions on sustainability factors** (PIAS), CaixaBank (as advisor and as market participant), VidaCaixa, CaixaBank Asset Management, CaixaBank Asset Management Luxembourg, CaixaBank WM Luxembourg (as advisor and as market participant), Banco BPI (as advisor and as market participant), BPI GA and BPI VP
- Publication of the **2024 Issuer Engagement Plan**, VidaCaixa and CaixaBank Asset Management, with nature and climate among the priority areas
- Adherence to **TNFD Forum and PBAF**, CaixaBank
- Adherence to **Value Balancing Alliance**, CaixaBank
- Adherence to the **European Energy Efficiency Financing Coalition** of the European Commission, CaixaBank

05

Strategy



STRATEGY

The Group has a strategy that incorporates sustainability as one of its strategic priorities and is embodied in the 2022-2024 Sustainable Banking Plan, which was approved on 15 December 2021.

Against this background, CaixaBank considers it essential to move forward in the transition to a carbon-neutral economy that promotes sustainable development and is socially inclusive.

Considering that social and governance issues are receiving increasing attention from investors and society as a whole, CaixaBank aims to maintain its leadership in positive social impact through its microfinance and financial inclusion activities, promoting a responsible culture focused on people and best practices in good governance, in order to continue to be a benchmark in European banking. The Bank also channels and promotes multiple of social initiatives mainly through its branches, thanks to the CaixaBank volunteer network, close collaboration with the "la Caixa" Banking Foundation, the CaixaBank Dualiza Foundation, MicroBank and other social initiatives.

Through the issuance of social bonds (reaching a total of €5 billion in 5 social bonds issued from its inception in 2019 until June 2024), the Bank is committed to promoting investments that generate a positive social impact, in line with the United Nations Sustainable Development Goals (SDGs). With the funds raised, CaixaBank promotes projects that help to fight poverty, promote education and welfare, foster economic and social development in the most disadvantaged areas of Spain, generate a positive impact on employment and promote the construction of basic infrastructures.

2022-2024 Strategic Plan

CaixaBank Group's 2022-2024 Strategic Plan, presented in May 2022 under the slogan "Close to our customers", reinforces CaixaBank's commitment to society, with a unique banking model and with the aim of offering the best service to each customer profile to provide solutions in all areas, promoting financial inclusion and leading positive social impact.

CaixaBank wants to support and encourage the transformation that is expected of our economy, both in the progress of digitalisation and in the development of a more sustainable social and environmental situation with greater opportunities for all. And to do so, the Bank wants to lead the transformation process

that is taking place in its sector. This transformational ambition is embodied in its Strategic Plan 2022-2024, which remains based on a unique banking project, rooted in its founding principles.

Through the 2022-2024 Strategic Plan, the Group focuses on strengthening its positioning in all segments, maintaining an efficient distribution model, adapted to the customer and offering the best experience, and establishing itself as a leader bank in sustainability at the European level, by promoting the sustainable transition of companies and society, positive social impact and financial inclusion, and a responsible culture.

The 2022-2024 Strategic Plan is underpinned by the three strategic lines and two cross-cutting enablers:

-  **/ BUSINESS GROWTH**
Developing **the best value proposition** for our clients.
-  **/ PROMOTING A CUSTOMER SERVICE MODEL**
Maximising adaptation to customer preferences.
-  **/ SUSTAINABILITY**
Leaders in Europe.



/ CROSS-CUTTING ENABLERS

- Technology
- People

Sustainability

The aim is to consolidate CaixaBank as a benchmark in sustainability in Europe. The prioritisation of environmental, social and governance issues on the European agenda provides a unique opportunity to take advantage of the competitive advantages inherent in CaixaBank's way of banking, highlighting its social commitment as a foundational value and its European leadership in microfinance. The main initiatives are:



- Accompanying customers in their energy transition
- Commitment to our own transition



- Leading positive social impact
- Promoting financial inclusion



- Promoting a responsible culture
- To be a sector leader in governance

CaixaBank is currently working on its next 2025-2027 Strategic Plan with the aim of further strengthening its position in the sector.

Materiality

CaixaBank conducts its annual group-wide materiality study to identify and prioritise those areas that may generate significant environmental, social and governance impacts. In this sense, the Materiality Assessment allows, among other things:

- Integrate identified sustainability impacts, risks and opportunities (IROs) into the various strategic and decision-making processes of the company.
- Respond to key stakeholders.
- Determine the correct dimensioning of the information to be reported in the CaixaBank Group's Consolidated Management Report.



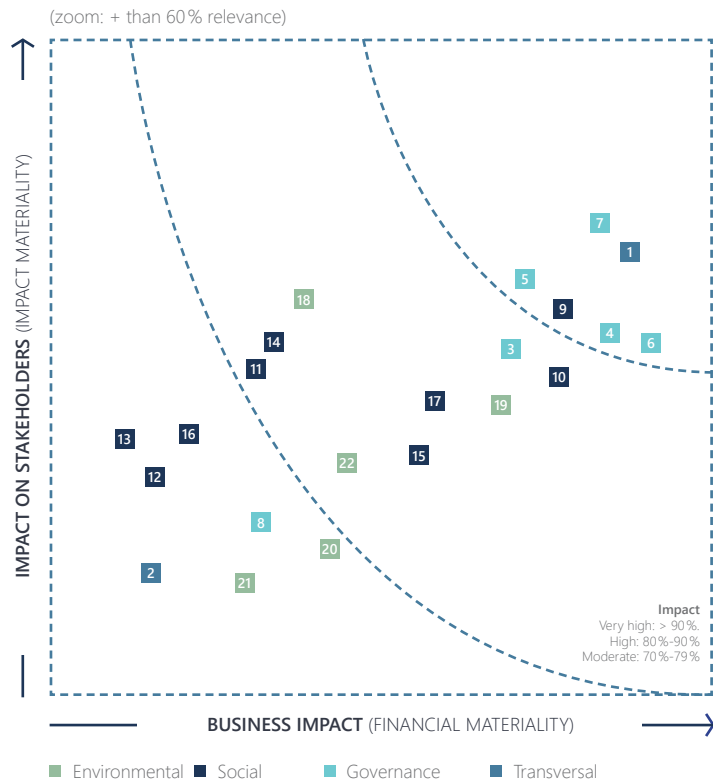
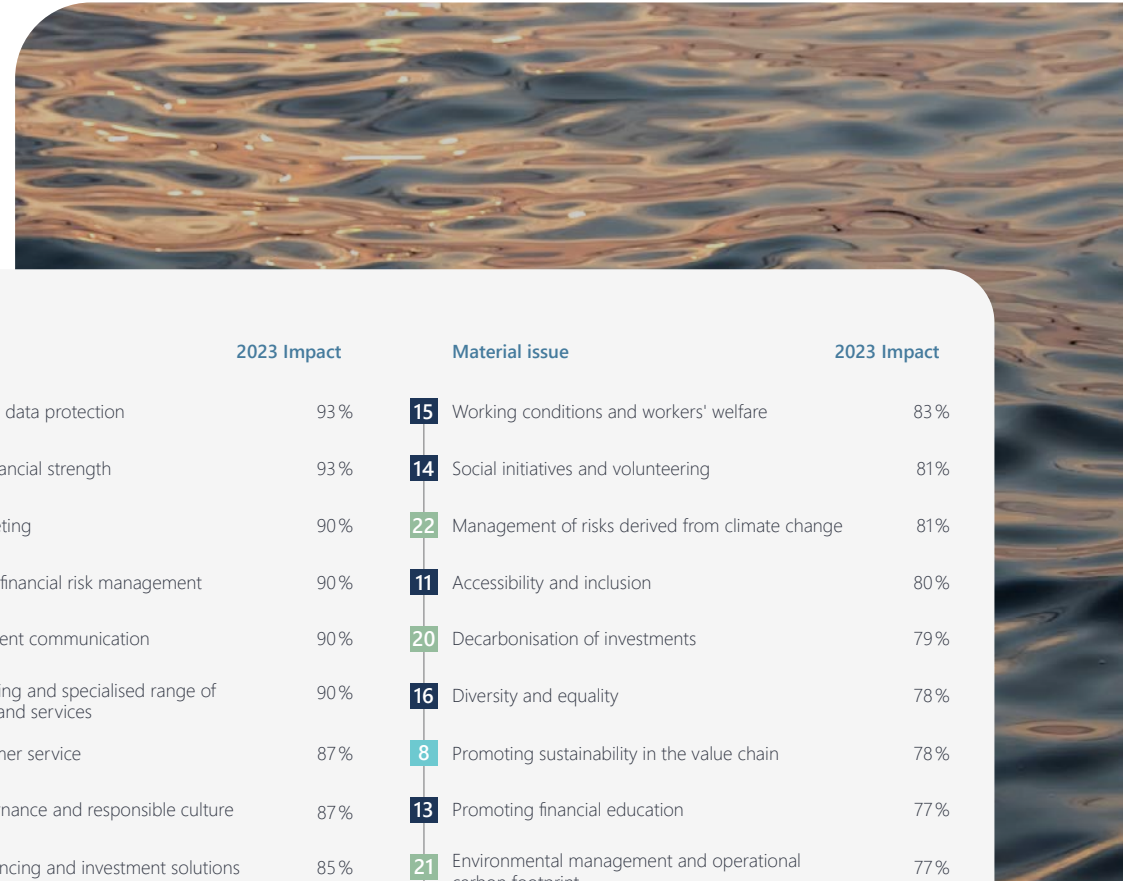
The 2023 Materiality Assessment continued to evolve towards the **perspective of double materiality**, incorporating the main methodological recommendations to adapt the study to the requirements established by the new Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standard (ESRS).

The Bank has developed a new methodology, based on the new requirements of the reference standards, which indicate what should be done with a double materiality approach.

- Impact materiality (inside-out): covers the actual and/or potential impacts of activities on the environment and how they affect stakeholders in the short, medium or long term.
- Financial materiality (outside-in): considers the potential economic impact of ESG (environmental, social, and governance) risks and opportunities on the Bank in the short, medium or long term.

Therefore, issues can be material from a stakeholder impact point of view, from a financial point of view or from both perspectives.

The link established between potentially material issues and the analysis of impact materiality and financial materiality allows these issues to be organised along two axes: the Bank's impact on the environment and the environment's impact on the Bank. The results of this phase give rise to the Group's materiality matrix.



Material issue	2023 Impact	Material issue	2023 Impact
7 Cyber security and data protection	93%	15 Working conditions and workers' welfare	83%
1 Profitability and financial strength	93%	14 Social initiatives and volunteering	81%
6 Responsible marketing	90%	22 Management of risks derived from climate change	81%
4 Financial and non-financial risk management	90%	11 Accessibility and inclusion	80%
5 Clear and transparent communication	90%	20 Decarbonisation of investments	79%
9 Quality, wide-ranging and specialised range of financial products and services	90%	16 Diversity and equality	78%
10 Segmented customer service	87%	8 Promoting sustainability in the value chain	78%
3 Ethics, good governance and responsible culture	87%	13 Promoting financial education	77%
19 Environmental financing and investment solutions	85%	21 Environmental management and operational carbon footprint	77%
17 Talent management and professional development	84%	12 Access to microfinance and solutions with social impact	77%
18 Adaptation to climate change and energy transition	83%	2 Fostering partnerships to promote sustainability	76%

The Materiality Assessment has enabled CaixaBank to identify and prioritise the material issues on which it should focus. Issues related to climate change are shown below:

/ HIGH IMPACT



- **Environmental financing and investment solutions:** design and market products and services that integrate environmental criteria to promote and accompany clients in their transition to a low-carbon economy, providing them with ESG solutions.
- **Adaptation to climate change and energy transition:** promoting adaptation to climate change and energy transition with sustainable and responsible practices that contribute to the reduction of the direct and indirect environmental impact of the Bank.
- **Management of risks derived from climate change:** identify, measure, manage and monitor sustainability risks, with a particular focus on climate change risks.

/ MEDIUM IMPACT



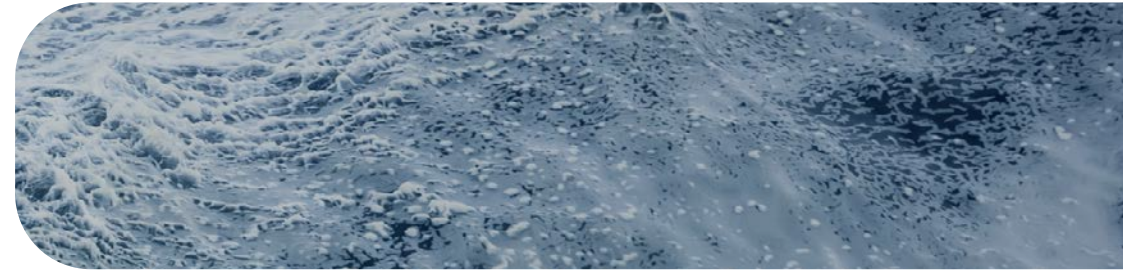
- **Decarbonisation of investments:** manage the credit and investment portfolio by integrating sustainability criteria in order to achieve the decarbonisation objectives set by the Bank.
- **Environmental management and operational carbon footprint:** minimising the environmental impacts generated by the Bank's activities and maintaining the neutrality of its operational carbon footprint.

The Bank's strategy is present at the base of the materiality assessment¹⁸, as a source of issues, and at the same time, includes the results of this analysis, to ensure that the strategy reflects the sensitivities, concerns of stakeholders and society, and trends in the environment in which CaixaBank operates.

¹⁸ 2023 Consolidated Management Report (see page 50).

2022 - 2024 Sustainable Banking Plan

The Sustainable Banking Plan¹⁹, approved by the Board in 2021, is part of the Bank's Strategic Plan, and is **one of the main lines of action**.



This Plan is CaixaBank's proposal for the 2022-2024 period to mitigate challenges such as inequality, climate change and boosting the real economy. It includes more than 300 initiatives, all of them with pre-defined time and achievement milestones. The degree of implementation of each of these initiatives is reviewed every six months, establishing corrective measures if deviations are detected in any of them.

CaixaBank aspires to become a leading bank in Europe in terms of sustainability with this firm commitment. To this end, between 2022 and 2024, we have allocated more than €64,000 million to mobilise resources for sustainable actions, primarily energy transition initiatives and microcredits. Through this sustainable financing and other programmes and partnerships, we aim to generate a positive social impact.

CaixaBank develops its sustainability ambitions through active listening and dialogue, a rigorous methodology for measuring and managing data, and a sustainability communication strategy focused on raising awareness and external sensibilisation.

In order to make the Bank's commitment to society a reality, the 2022-2024 Sustainable Banking Plan is structured around three ambitions and eleven strategic guidelines:

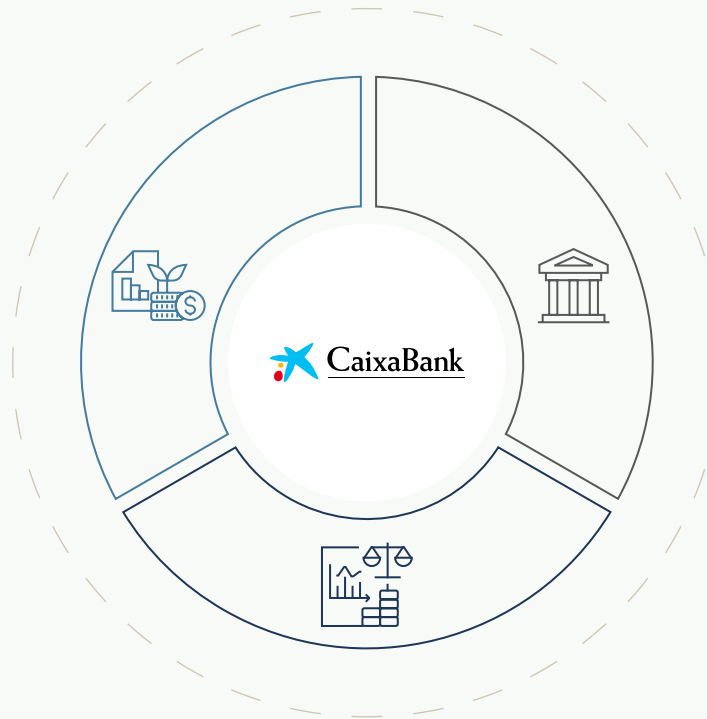
- To promote the sustainable transition of companies and society, offering sustainable solutions in financing and investments, with a focus on energy efficiency, mobility and sustainable housing; and ESG advice, with the commitment to decarbonise the Group's lending and investment portfolio.
- To lead the positive social impact and favouring financial inclusion, thanks to MicroBank, volunteering and social action, promoting microfinance solutions and maintaining the commitment to the rural world, adapting the service channels to the needs of the different customer groups.
- To promote a responsible culture by being a leader in governance through best practices in responsible culture, reporting and marketing, accompanied by effective and transparent communication on ESG issues.



¹⁹ [2022-2024 Sustainable Banking Plan](#)

/ PROMOTE THE **SUSTAINABLE TRANSITION** OF COMPANIES AND SOCIETIES

- Transition for companies and individual customers
- Decarbonisation
- Integrate ESG risks



/ **LEAD THE POSITIVE SOCIAL IMPACT** AND PROMOTE FINANCIAL INCLUSION

- Social leadership and forming partnerships to multiply people's opportunities
- Leaders in microfinance
- Promote employment and entrepreneurship

/ FOSTER A RESPONSIBLE CULTURE BY BEING **A BENCHMARK IN GOVERNANCE**

- People-centred culture
- Integrating ESG in the Bank
- Transparency and accountability.
- A benchmark in regulatory standards



CaixaBank has a team of **leaders in sustainability**, appointed in the main divisions of the Bank and Group companies, whose main mission is to promote the development of the plan and sustainability in their area of business.

/ GOALS OF THE 2022-2024 SUSTAINABLE BANKING PLAN

AMBITION	2024 TARGETS	PROGRESS UNTIL JUNE 2024	MANAGEMENT
<p>GLOBAL</p>	<ul style="list-style-type: none"> • €64 billion mobilised in sustainable financing. 	<p>105%</p>	<ul style="list-style-type: none"> • €67,157 M mobilised since 2022. • €16,344 M in the 1st half of 2024.
	<ul style="list-style-type: none"> • Maintain category "A" in the synthetic sustainability indicator. 	<p>A</p>	<ul style="list-style-type: none"> • Category A.
<p>ENVIRONMENTAL</p>	<ul style="list-style-type: none"> • Advance the decarbonisation of the portfolio to reach net-zero emissions by 2050. 	<p>9 Sectors²⁰</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Oil and gas</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Electricity</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Coal</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Iron and steel</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Transport</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Real estate business</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Aluminium</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Cement</div> <div style="border: 1px solid #008080; padding: 5px; background-color: #008080; color: white;">Agriculture:</div> </div>	<ul style="list-style-type: none"> • 9 defined targets for financed footprint reduction to 2030.
	<ul style="list-style-type: none"> • 413,300 MicroBank beneficiaries. 	<p>91%</p>	<ul style="list-style-type: none"> • 375,621 beneficiaries since 2022. • 123,472 in the first half of 2024.
<p>GOOD GOVERNANCE</p>	<ul style="list-style-type: none"> • 43% of women in management positions²¹. 	<p>100%</p>	<ul style="list-style-type: none"> • 43.3% in June 2024.

■ Progress at year-end 2023 (cumulative 2022-2023)
■ Cumulative progress at the end of June 2024

²⁰ Sectors Oil and Gas, Power Generation, Thermal Coal, Iron and Steel, Transport, Real Estate, Aluminium (disregarded), Cement (disregarded) and Agriculture (qualitative). The initial 9 sectors have become 12 sectors, as the transport sector has been split into 3 (automotive, aviation and marine) and real estate has been split into 2 (commercial and residential).

²¹ Women in management positions (starting from deputy director of large branches) for CaixaBank, S.A. In 2023, the target initially set for 2024 was updated from 42% to 43% with the update of the Equality Plan.

Stakeholder engagement actions

To ensure the success of this 2022-2024 Sustainable Banking Plan, CaixaBank is carrying out various engagement initiatives with its various stakeholders: The main initiatives are shown below²².

Engagement with customers

CIB and Business Banking

In the field of CIB, it has an **ESG advisory service (ESG Advisory), designed in 2021** and based on the Guide of Cambridge Institute for Sustainability Leadership and UNEP-FI, to support its corporate and institutional clients in their sustainability strategy and positioning, promoting client alignment through a process of engagement.

In 2023, CaixaBank strengthened its ESG Advisory team to enhance customer sustainability through in-depth diagnostics and personalised advice tailored to identified needs and opportunities, and expanded the subjects analysed, specifically Net-Zero and Clean Tech Advisory. In 2023, the team served 36 corporate and institutional clients out of a total of 90 clients pitched.



In 2024, it will expand the service with additional modules on **Water, Biodiversity and Circular Economy**.

CaixaBank also acted as sustainable coordinator (**ESG Coordinator Sustainable Finance Lending**) in 15 transactions out of a total of 74 syndicated loans.

In the Business scope, throughout 2023, a series of actions were also carried out, including:

- In collaboration with DIRSE (Spanish Association of Sustainability Managers) and Valora Consultores, a **guide on sustainable financing**, "Toolkit on Sustainable Financing"²³ has been created to provide tools and strengthen company professionals in this area.
- The Bank organised three specific meetings in Madrid, Barcelona and Zaragoza, bringing together more than 400 companies, SMEs and professionals to address the role of financing in the transformation towards sustainable business models. In addition to various thematic conferences on the agricultural, transport and chemical sectors.
- In 2023, Business advised on and led the sustainability of 20 operations. A "**carbon footprint calculator**" was made available to companies, a tool whose methodology has been validated and verified by AENOR, allowing clients to compare their footprint with the national or European average and understand the environmental impact it represent.
- During 2024, 5 sustainability awareness-raising events were held with (medium and medium-large) business customers in the agri-food sector where, where material risk, nature-related risks and opportunities were also addressed (with around 180 attendees).

This value-added proposition is carried out by establishing a baseline analysis of the initial situation of clients in terms of

sustainability (level of alignment with sustainability indicators); it is personalised and adapted according to the challenges, opportunities and economic sector to which they belong and an advisory service is provided, with specialists in sustainable financing, which provides tangible added value and building a relationship of mutual trust.

Due to its productive and strategic importance, CaixaBank places special emphasis on promoting engagement **with its customers in the agri-food sector** and the entire value chain (production, processing and marketing) where, in 2023, it has more than 463,200 customers and 1,150 specialised branches.

AgroBank is committed to promoting sustainability and focuses its efforts on promoting initiatives that favour the transition of its customers towards a carbon neutral economy through new distribution models, energy eco-efficiency, stimulating innovation and digitalisation, under the "*AgroBank Tech*" programme. For this reason, it offers a series of products aimed at accompanying customers in the decarbonisation of the sector, and for this it has loans such as the Ecological Transition Agroinvestment Loan for the Financing of Solar Panels, in order to support the transition to the use of renewable energies, or the Woody Agroinvestment, which allows the planting of new crops that help to fix CO2 with significant support needed for their implementation.

During 2023, AgroBank organised 9 thematic conferences, with more than 2,100 customers attending, to explore topics such as the use of water, innovation and digital transformation throughout the agri-food chain and the key elements of sustainability (climate change, circular economy, the gender gap in rural areas, etc.). It was also present at the **main sectoral fairs**, which in 2023 brought together more than 400,000 visitors, including companies and professionals from the agricultural and fisheries sector.

²² More information on engagement on the corporate website: https://www.caixabank.com/deployedfiles/caixabank.com/Estaticos/PDFs/Sostenibilidad/Engagement_with_stakeholders.pdf

²³ [Sustainable Financing Toolkit](#)

Private Banking

CaixaBank was a pioneer in having specialised units that offer its Private Banking customers a comprehensive solution that responds to their needs in the field of philanthropy and responsible and impact investment. To this end, it carried out various actions, such as offering its customers fortnightly information on sustainability, with topics related to emissions, social inequality, alternative energy sources and climate change.

In the philanthropic sphere, the Bank provided its customers with solidarity projects to support various social causes, such as "No Home without Food", "Research against Cancer", "Child Vaccination (GAVI)", etc. The managers work with the customer to develop the best philanthropic strategy, taking into account their concerns, objectives and resources, in order to create the greatest impact.

In 2023, various events were held as part of the "Philanthropy Dialogues" cycle with the aim of stimulating and promoting philanthropy. In the same vein, meetings are organised that bring together local philanthropists and other stakeholders to identify best practices as well as benchmarks that stimulate both the formation of partnerships and the creation of new initiatives.

In addition, the first half of 2024 saw the launch of the Sustainable Darwin project, with the aim of strengthening the commercial skills training of Premier and Private Banking managers to effectively deploy responsible advice, derived from the change in the suitability test in relation to sustainability preferences.

The sustainable and impact investment offer continues to grow, providing both private and retail banking customers, depending on

their risk profile and ESG orientation, with a wide fund range (Article 8 and 9) and the OCEAN platform, a search engine and comparator of funds from national and international fund managers where they can be selected and filtered according to sustainability criteria. With more than 4,000 funds from 200 fund managers.

Retail banking

In the retail sphere, CaixaBank is consolidating its offer of **financing for Solar Panels** in single-family homes, businesses, the self-employed and micro-businesses, with an increase in the commercial offer of installations with a greater number of panels and the promotion of electric storage batteries. As a reflection of this engagement, in 2023, 46 million euros in loans were granted to individuals for the installation of photovoltaic panels. 832 million euros were also granted in **mortgage loans to individuals on homes with an energy performance certificate A or B** and a continuous offer of vehicle leasing and **financing was maintained, boosting the sustainable offer**. At the end of 2023, 6,408 leasing transactions were signed, of which 36.7% of the total were for sustainable vehicles (electric and plug-in hybrid).

In addition, it extended its range of mortgage financing with the **Hipoteca Eficiente**, which promotes home renovations for energy improvement by financing not only the purchase but also the cost of the renovation in a single product. It complements its proposal with the expert service of an energy efficiency consultant who prepares the energy performance certificate and assesses the savings in energy consumption and its impact.

Additionally, a new value proposition was defined for the sector, aimed at Homeowners' Associations (HOAs) and Property Managers, with the objective of supporting the marketing of

specific products and services, as well as providing appropriate advice on energy rehabilitation for residential buildings.

CaixaBank also makes a "**carbon footprint calculator**" available to its private customers through CaixaBank Now. This tool uses methodology has been validated and verified by AENOR and which allows customers to find out their carbon footprint through the automatic analysis of their consumption and purchases.

This tool also identifies areas for improvement and offers a series of recommendations to reduce it. The Bank also made a carbon footprint calculation solution available to companies and businesses.

Imagin

One of the segments in which CaixaBank also focuses its efforts is engaging the young or junior segment through imagin, a B Corp-certified company since 2020, due to its positive impact on the environment and society.

During 2023, through imaginPlanet, it launched positive impact initiatives on environmental sustainability such as the **reforestation of devastated areas: 403,859 trees planted** with more than 760 tonnes of CO2 offset and **collection and cleaning of plastics from the Mediterranean Sea**. 100 tonnes of plastics were collected, equivalent to 367 tonnes of CO2 offset. Moreover, it continues its Imagin Seabins project in 9 Spanish ports, an innovative marine device that helps clean seas and oceans by capturing plastics, floating debris and microfibres.

In 2023, it also launched an innovative **marine reforestation project**, with the aim of protecting orange corals, with more than 60,000 sea corals restored.

In 2023 also took place the third edition of the **Imagin Planet Challenge, a sustainability entrepreneurship programme** where more than 2,500 young university students and 700 teams took part in developing their sustainable business ideas.

Imagin has also integrated a calculator into its App so that its users can measure their carbon footprint and has committed to offset 5kg of CO2 for each new user who calculates it. In addition, in 2023, it launched a limited edition of 20,000 **MyCard Imagin cards, made from 60% of plastic taken from the sea** by environmental organisations specialised in this cause, with the remaining 40% of the card also made from recycled plastic.

BPI

In the Portuguese market, BPI also developed a consolidated and segmented offer for individuals and companies to encourage greener consumption patterns, particularly in the areas of housing and sustainable mobility.

Among the main initiatives are the following:

01 The launch of the "Mobility" category in Marketbank, reinforcing the offer with 90% of sustainable products (electric or hybrid vehicles), offering test drives of electric vehicles for leasing customers, and the launch of the AIO-BPI Saldanha Shop with electric bicycles and motorbikes.

02 Launch of the 3rd edition of the Sustainability Accelerator 3.0: Workshops to develop skills and share experiences, with the presence of specialised consultants, with the aim of supporting companies in their sustainable transition.

03 Energy Efficiency Programme for SMEs: Support for a research programme to evaluate the impact of information, training and advice on energy efficiency on SMEs' behaviour.

04 BPI Forum: The Future of Water - An initiative aimed at discussing the main challenges, priorities and best practices associated with sustainable water supply and consumption, which was attended by more than 300 participants.

Engagement with employees to promote sustainability

CaixaBank has a strategy of engagement and actively listening to its employees, paying special attention to their opinions. Based on this listening, it draws up an action plan (associated with the 2022 Engagement, Culture and Leadership Study) to suit its needs.

Another pillar of employee engagement is **internal communication**, which focuses primarily on conveying the Bank's values and culture, disseminating and supporting the achievement of strategic goals, fostering two-way communication and dialogue among professionals, and promoting closeness between teams through the corporate social intranet, "People Now."

Training is another key element for employees to internalise the concepts related to sustainability and to understand the business prospects involved. For this reason, in 2021, we started with general sustainability awareness training for all employees and specific training on sustainable investments for the Private Banking group.

In 2022, the training on sustainable investments was extended to the Premier Banking group and the legal requirements for MiFID training on sustainable finance and adaptation of the suitability test were met. In 2022, a total of 31,315 unique employees received training, amounting to over 343,173 hours of instruction.

In 2023, the ESG 360° Training Plan was approved and the Bank's entire workforce (training linked to bonuses) was trained in this area, without neglecting training aimed at specific groups: training in sustainable investment and financing for retail branch managers. **A total of 35,489 people were trained** with 199,519 hours of instruction.

In the first half of 2024, the implementation of the ESG 360° Training Plan continued, the most relevant actions being: training focused on the sustainability preferences of customers (aimed at the Bank's entire commercial network); the continuation of the Sustainable Finance Certification

process and the holding of a series of conferences on the energy transition process and its global impact. In total, 142,389 hours of ESG training have been carried out.

At the same time, special attention has been paid to **management communication, as the driving force behind** projects and strategic messages, providing them with guidelines and materials to involve their teams in the Bank's challenges.

In addition, in January 2023, the **Sustainability Benchmarking Programme** was created, consisting of Group employees designated and recognised as sustainability representatives within their areas of influence.

Their mission is to disseminate, lead, influence and represent the Bank's sustainability both internally and externally. Specifically, 38 employees, representatives of the areas and subsidiaries most involved in the implementation of the Sustainable Banking Plan. They have access to monthly webinars on specific sustainability issues (trends, regulation, taxonomy, etc.) with internal and external experts, and to a specific repository of information at the CaixaBank Sustainability Academy, as well as an exclusive fortnightly newsletter.



During 2024, several internal information sessions on circular economy and natural capital were held for the group of Referents, the teams related to sustainability risks and other specialised groups.

Engagement with issuers, analysts, shareholders and investors

CaixaBank maintains an active ESG engagement with its shareholders and institutional investors to share priorities and understand their expectations.

The Bank carries out various training and information initiatives for retail shareholders and their voice is also heard through annual opinion polls. Shareholder information is structured through the newsletter, emails about corporate events (reaching 223,129 shareholders), SMS alerts or other subscription-based materials available on the corporate website.

In addition, activities with specific sustainability content are carried out to raise awareness of the importance of ESG and CaixaBank's work in this regard. Sustainability issues are discussed at regular meetings of the **Shareholder Advisory Committee**.

In 2023, the Investor and Shareholder Relations Department **held 32 meetings with institutional investors specifically focused on ESG topics, with a total of 38 investors in attendance**.

CaixaBank Asset Management and VidaCaixa also carried out sustainability engagement processes with issuers:

- In 2023, **CaixaBank Asset Management** held **647 dialogues** with companies on ESG issues, conducted **200 ESG due diligence reviews** with external managers, addressed more than 1,623 ESG issues in dialogues with companies and cast proxy votes at **979 shareholder meetings**.
- Meanwhile, in 2023, **VidaCaixa** held **124 dialogues** with companies on ESG issues and 13 dialogues with external managers, **278 ESG due diligence reviews** with external managers, 193 ESG issues addressed in dialogues with companies and cast proxy votes in **514 shareholder meetings** (22% of the investment in companies subject to engagement).

CaixaBank also participates in the assessment process of various sustainability and climate change analysts, actively responding to their requests for information in a transparent and committed manner. For this reason, CaixaBank is widely recognised by the market's main sustainability indexes and analysts. As proof of this, the leading climate change analyst **CDP** has recognised CaixaBank for the tenth consecutive year as a **leading company in sustainability** for its action against climate change, renewing its **top score of A in 2023**.

The Bank also ranks as the thirteenth most sustainable financial institution in the world, according to the Dow Jones Sustainability Index and is the only Spanish bank to improve its score with respect to 2022.

As a new development, in 2023 CaixaBank was assessed for the first time with a **solicited ESG** rating from **Sustainable Fitch**, obtaining a rating of 2 (on a scale where 1 is best and 5 is worst), making it the first Spanish bank to publish an assessment of this type in the market.

In 2023, CaixaBank was also selected to form part of the new family of ESG indices created in the Spanish market, comprising **IBEX ESG** and **IBEX ESG Weighted** (selective indices comprising a total of 47 Spanish listed companies).

Engagement with suppliers

The CaixaBank Group undertakes in its **Procurement Principles to disclose ethical, social and environmental factors among CaixaBank's network of suppliers and collaborators**, to promote the contracting of suppliers that apply best practices, as well as good corporate governance, and to implement mechanisms for the ongoing assessment of suppliers' performance, fostering dialogue through an institutional communication channel. Integrity and transparency are essential pillars, and for this reason principles of conduct have also been established in the Supplier Code of Conduct, in accordance with the Group's principles, which must be accepted by all suppliers in their registration and approval process.

In March 2023 **the Board of Directors approved a new Procurement Policy** which will be reviewed every two years and establishes the reference framework for procurement management in the CaixaBank Group, which includes the general principles of action including ESG criteria. Additionally, supplier contracts also include specific ESG clauses.

In 2023, a review of the different phases of the Purchasing and Supplier management process (approval, tendering and contracting) was also carried out with the aim of reinforcing the integration of these ESG criteria. Specifically, **the 12 modular questionnaires incorporating ESG criteria were reviewed** and Human and Environmental Rights aspects were included in the questionnaires. An internal indicator "ESG index" was also developed which will allow the company to rank suppliers according to sustainable criteria (taking into account the questions in the questionnaires of the certification process, audit results, development plans, attendance of training courses, etc.) and as a new project the next step is the assessment of how this supplier ESG index can be weighted in the decision matrix in the award phase.

In 2023, a new questionnaire was also launched for all suppliers with a turnover of more than €1.5 million, with the aim of identifying their carbon footprint and thus extending the Group's commitment to sustainability throughout the value chain.



Active dialogue with regulators, peers, NGOs and society

In the area of supplier performance and as part of CaixaBank's Sustainable Procurement Project, the Supplier Development Plan was launched with the aim of helping benchmark suppliers to obtain a better position in terms of sustainability. **30 development plans** were carried out, and the aim is to expand this number in the coming years.

CaixaBank also participated as a collaborating company in the training programme: Sustainable Suppliers²⁴ is a project promoted by the United Nations Global Compact, its local network in Spain and the ICO Foundation and ICEX Spain Export and Investment, in which, in its first edition, more than 2,000 SME suppliers from 38 countries participated (200 suppliers of the Bank), with the aim of training supply chains in sustainability under the frameworks of the Ten Principles and the 2030 Agenda.

CaixaBank paid particular attention to establishing an active dialogue with the regulator and other entities in order to make progress and establish common objectives in the area of sustainability.

The Bank actively participates in consultative processes on regulatory initiatives in the areas of financial stability and financial sector strengthening; sustainable finance; innovation and digitalisation; consumer protection; transparency; and prevention of money laundering and terrorist financing.

It also participated in UN working groups through UNEPFI to advance the design of the Principles for Responsible Banking with a 2030 vision, as well as in impact measurement projects, financial inclusion, biodiversity, implementation of the objectives of the Net-Zero Banking Alliance (NZBA) and the recommendations of the Task Force on Nature-Related Financial Disclosures (TNFD).

- In 2022, it was the first Spanish bank to sign the COP15 Statement from the Financial Sector on Biodiversity, promoted by UNEP FI, inviting world leaders to sign a global agreement on biodiversity.

- It holds regular meetings with other organisations and participates in other think tanks and initiatives such as the **Spanish Green Growth Group, Spainsif, Global Compact, CECA, ESG-WSBI, Forética and Seres** to share knowledge on sustainability and advance its implementation.

- It is promoting impact measurement through participation in initiatives such as **Banking for Impact, PCAF and SpainNAB** and dissemination and participation in specific workshops.

- It participated in knowledge dissemination forums such as the PRB Biodiversity Community in the framework of UNEPFI and the TNFD Forum of the Task Force on Nature-Related Financial Disclosures. CaixaBank has also joined Nactiva, a platform for the protection and regeneration of natural capital, as well as the European Commission through the coalition The European Energy Efficiency Financing Coalition, to support the need to intensify investment in energy efficiency.

The Bank also promoted publications and dissemination activities related to sustainability, such as the CaixaBank Chair of Sustainability and Social Impact with IESE, the CaixaBank Chair of Sustainable Economy with the University of Comillas and the AgroBank Chair of Quality and Innovation in the agri-food sector with the University of Lleida.

Another area where the Bank focused its efforts is promoting financial education among its stakeholders through its Financial Culture Plan²⁵, which develops free educational initiatives (courses, conferences, workshops) aimed at all types of audiences to encourage informed decision-making. In addition, it developed informative content on its CaixaBank Blog²⁶ through a specific section on sustainability.

It was also in constant dialogue with the main NGOs and other third sector organisations to find out first-hand what issues they value most and how they perceive the Bank's management in ESG matters and collaborates with the "la Caixa" Foundation in the SDG Observatory to promote the implementation of the SDGs among Spanish companies.



In **February 2024**, the Board of Directors of CaixaBank **approved a Statement on Nature**, in which it undertakes to take into consideration the goals of the Kunming-Montreal Global Biodiversity Framework (GBF), make progress in the management of nature-related risks and the integration of nature in its decision-making, establishing the main lines of action in this area.

²⁴ [Training programme: Sustainable suppliers – Global Compact](#)

²⁵ [Financial Culture Plan](#)

²⁶ [CaixaBank blog](#)

Issuer engagement global strategy

The CaixaBank Group, of which CaixaBank Asset Management and VidaCaixa form part, is committed to the integration of ESG criteria in investments, understood as those that not only offer financial returns for investors, but also promote management that is consistent with the creation of value for society as a whole, pursuing social and environmental benefits.

CaixaBank Asset Management and VidaCaixa believe that the transition to a more sustainable economy and the long-term profitability of investments can be achieved through both investment decisions and long-term engagement with the companies in which they invest, through constructive dialogue and active voting.

To this end, both companies have exclusions and restrictions policies and have developed a responsible investment model, based on the incorporation of environmental, social and governance (ESG) aspects into the investment analysis and decision-making process, in addition to the traditional criteria. 100% of the assets under management of CaixaBank Asset Management and VidaCaixa consider ESG aspects according to UNPRI criteria.

Additionally, they participate in corporate governance decisions through active voting at the annual general shareholders' meetings and regular open dialogue with public and private companies and issuers on material issues relating to ESG factors, in order to promote value creation and long-term profitable business in the companies in which they invest.

2024 Engagement Plan: sustainability priorities

The CaixaBank Group bases its management on responsible action and economic efficiency, with a focus on the sustainable socio-economic development of people and the region. This sustainable approach is reflected in three core ambitions: Driving the sustainable transaction of business and society, leading positive social impact and fostering financial inclusion, and promoting a responsible culture by being a reference in governance.

The priority issues considered in the 2024 Engagement Plan of CaixaBank Asset Management²⁷ and VidaCaixa²⁸, are as follows:



CLIMATE CHANGE²⁹



HUMAN RIGHTS, AND VIOLATIONS OF KEY INTERNATIONAL STANDARDS



GOOD GOVERNANCE AND GOOD SOCIAL PRACTICES

The transition to a sustainable and decarbonised economic model that limits global warming to below 2°C, preferably 1.5°C in line with the Paris Agreement targets, is one of the biggest global challenges. Added to this challenge is the loss and degradation of nature, a trend that the Kunming-Montreal Global Biodiversity Framework seeks to halt and reverse in order to live in harmony with nature by 2050. The two challenges are closely interconnected.

²⁷ [2024 Engagement Plan – CaixaBank Asset Management](#)

²⁸ [2024 Engagement Plan – VidaCaixa](#)

²⁹ Statement on Climate Change of [CaixaBank Asset Management](#) and [VidaCaixa](#), Statement on Nature of [CaixaBank](#) and [VidaCaixa](#), Sustainability Risks Integration Policy of [CaixaBank Asset Management](#) and [VidaCaixa](#), [public support for TCFD](#) by CaixaBank Asset Management and VidaCaixa, Statement on [Principal Adverse Impacts 2023](#) (links with PIAs 1-9) by VidaCaixa and VidaCaixa's adherence to the Net-Zero Asset Owner Alliance.

This transition process is a source of risks and opportunities for companies and their business models. Driving the decarbonisation of the economy and contributing to preserving and restoring nature can have a favourable effect on companies' long-term results or loss and contribute to further economic, social and environmentally sustainable progress.

The prioritisation criteria and objectives in the area of climate change and nature at CaixaBank Asset Management and VidaCaixa are as follows:

/ CRITERIA FOR SELECTION AND PRIORITISATION OF ISSUERS WITH WHICH TO ESTABLISH DIALOGUE

- High intensity of greenhouse gas (GHG) emissions.
- Non-existence of, insufficient ambition towards and/or non-compliance with decarbonisation targets.
- Significant exposure to fossil fuels.
- Relevant exposure to activities with a high potential impact on nature.

/ EXPECTATIONS FOR ISSUERS AND PRIORITY TARGETS

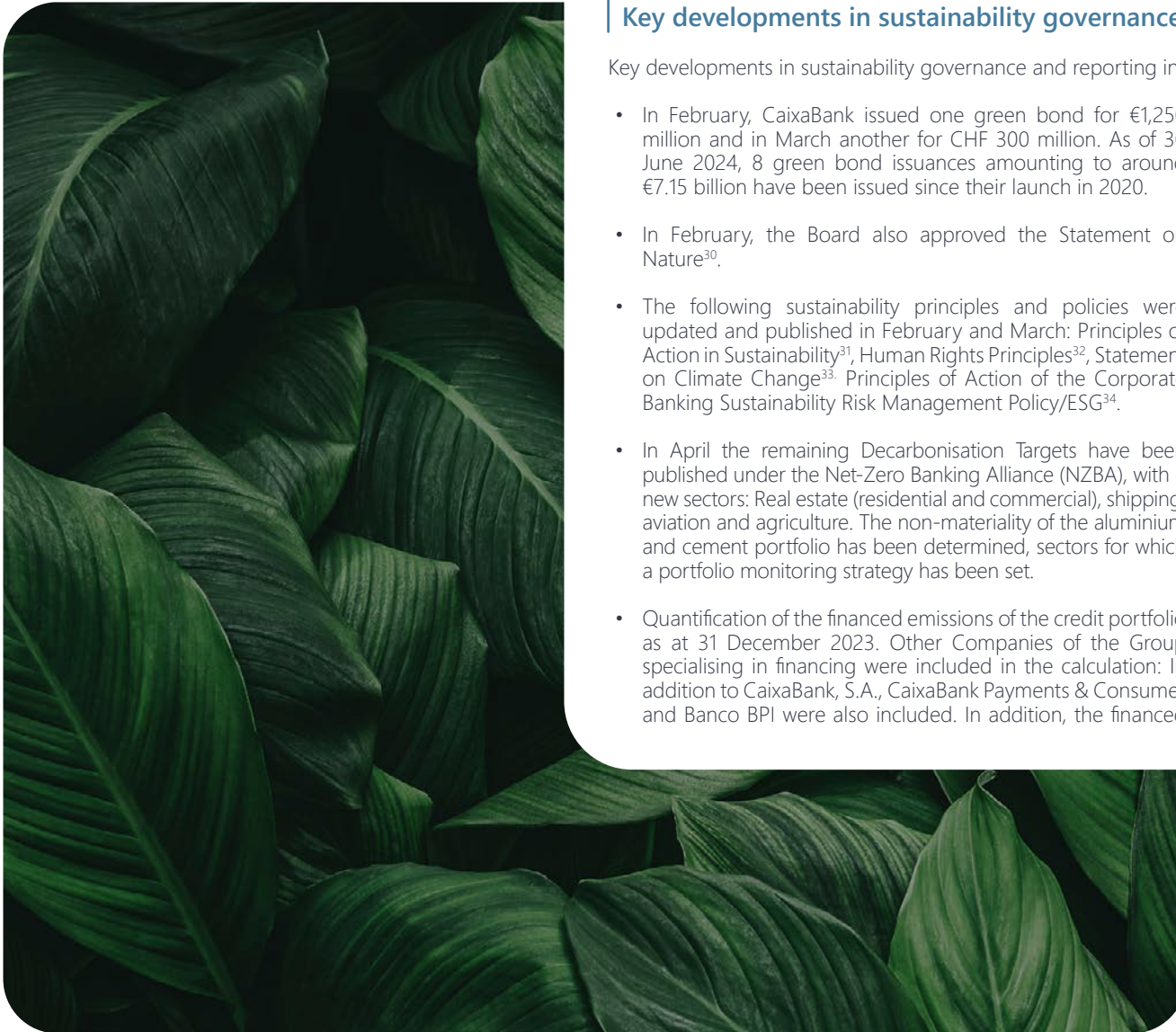
- Definition and implementation of science-based decarbonisation commitments (short, medium and long term or similarly ambitious and verified by external sources).
- Governance of the company's environmental strategy by the highest governance bodies.
- Monitoring of the recommendation of the Task Force on Climate-related Financial Disclosures (TCFD).
- Promote outreach on the assessment and management of nature-related impacts and dependencies, prioritising the *Task Force on Nature-related Financial Disclosures (TNFD)* as a reference framework.
- In case of intensive sectors, having appropriate diversification of activity or an intensity reduction plan in place.
- **Term:** are long-term objectives whose progress is evaluated on an annual basis. In the event of a failure to meet the targets and/or commitments made, such as the announced paths (max. 5 years of follow-up), the dialogue is closed and a new dialogue strategy and action is defined.
- **Scope, target and channels:** By 2024, CaixaBank Asset Management aims to have active climate dialogues with companies accounting for at least 15% of the financed emissions. These dialogues may be direct or with an active role in collective initiatives or outsourced to specialist independent suppliers where appropriate.

In the case of VidaCaixa, in line with its Net-Zero objectives, it commits to engaging in dialogue with companies representing at least 65% of its financed emissions (insurance portfolio) by 2030. For 2024, VidaCaixa's minimum goal for climate dialogues (direct or with an active role in collective initiatives, new or continuing dialogues initiated in previous years) is to engage with companies representing at least 15% of the financed emissions in its insurance portfolio.

In relation to nature, the selection of issuers will be determined by their participation in collective initiatives and, where appropriate, will be included as a theme in climate dialogues.

Nature-related dialogues are pursued primarily through collaborative dialogues, in addition to relying on direct dialogues or outsourced services to specialised independent suppliers, where appropriate.





Key developments in sustainability governance and reporting

Key developments in sustainability governance and reporting in the first half of 2024:

- In February, CaixaBank issued one green bond for €1,250 million and in March another for CHF 300 million. As of 30 June 2024, 8 green bond issuances amounting to around €7.15 billion have been issued since their launch in 2020.
- In February, the Board also approved the Statement on Nature³⁰.
- The following sustainability principles and policies were updated and published in February and March: Principles of Action in Sustainability³¹, Human Rights Principles³², Statement on Climate Change³³, Principles of Action of the Corporate Banking Sustainability Risk Management Policy/ESG³⁴.
- In April the remaining Decarbonisation Targets have been published under the Net-Zero Banking Alliance (NZBA), with 5 new sectors: Real estate (residential and commercial), shipping, aviation and agriculture. The non-materiality of the aluminium and cement portfolio has been determined, sectors for which a portfolio monitoring strategy has been set.
- Quantification of the financed emissions of the credit portfolio as at 31 December 2023. Other Companies of the Group specialising in financing were included in the calculation: In addition to CaixaBank, S.A., CaixaBank Payments & Consumer and Banco BPI were also included. In addition, the financed emissions linked to the investment portfolio³⁵ (including corporate fixed income and equities) of both CaixaBank and BPI were calculated.
- CaixaBank has mobilised a total of €67,157 million in sustainable finance at the end of June 2024 (since the start of the Sustainable Banking Plan in 2022). This figure means surpassing the €64 billion target set in the Bank's Sustainable Banking Plan, part of the 2022-2024 Strategic Plan, six months ahead of its completion. From the start of the Plan in 2022 until June 2024, the Company has allocated 57,294 billion euros to green, social or sustainability-linked financing and 9,863 billion euros to sustainable intermediation.
- Joining collective initiatives for joint learning in environmental matters: Partnership for Biodiversity Accounting Financials (PBAF), as observer, and TNFD Forum. Start of work on measuring impacts and dependencies related to the nature of the corporate loan portfolio, based on the ENCORE tool.
- Publication of the VidaCaixa and CaixaBank Asset Management 2024 Engagement Plan, which includes nature and climate as one of the three priority areas for engagement with issuers.

³⁰ [Statement on Nature](#)

³¹ [Sustainability Principles](#)

³² [Human Rights Principles](#)

³³ [Statement on Climate Change](#)

³⁴ [Principles for action in the Corporate Sustainability/ESG Risk Management Policy](#)

³⁵ [Consolidated Management Report 2023](#) (See page 437)

Environment and climate

Environmental and climate strategy

Environmental protection is a priority for CaixaBank, which is why it is one of the three goals of the 2022-2024 Sustainable Banking Plan. The group has an environmental and climate strategy aimed at **contributing to the transition to a carbon neutral and more sustainable economy** by financing and investing in sustainable projects, managing environmental and climate risk and reducing the impact of its operations.

This strategy is accompanied by public commitments which are set out in:

- **Statements:** public documents detailing CaixaBank's commitments in certain areas. Notable are the **Statement on Climate Change**³⁶ and the **Statement on Nature**³⁷, which were approved by the Board in February 2024.
- **Memberships and alliances:** CaixaBank has made commitments through membership of various initiatives that promote progress in certain environmental areas, including membership of the **Net-Zero Banking Alliance (NZBA)** or, in the case of VidaCaixa, the **Net-Zero Asset Owner Alliance (NZAOA)**, whereby decarbonisation targets have been set for 2050.

Lines of action:

01 FINANCING AND INVESTING IN SUSTAINABLE PROJECTS

The process of transition to a more sustainable economy is a source of risk for companies, but it also involves financial opportunities. To make them a reality, it is necessary to continue offering viable solutions that meet the expectations and needs of our customers and stakeholders. As part of these solutions, CaixaBank has for years played an active role in financing renewable energy, infrastructure and sustainable agriculture projects, among others. In addition, CaixaBank has been issuing green bonds since 2020 to channel funds towards this type of project.

Socially responsible investment is also promoted through the asset manager and the pension plan manager.

³⁶ [Statement on Climate Change](#)

³⁷ [Statement on Nature](#)

02 ENVIRONMENTAL AND CLIMATE RISK MANAGEMENT

Environmental risks, including risks related to climate change, can lead to economic and financial risks and have negative effects on companies' economic activities.

Therefore, CaixaBank identifies, measures, manages and mitigates environmental risks, specifically those related to climate change, with a material impact on the business.

Along these lines, the Bank has defined specific exclusions, restrictions and criteria, including environmental and climatic factors, for the onboarding of customers and operations. These criteria are set out in the Corporate Sustainability/ ESG Risk Management Policy³⁸.

In relation to risk management, CaixaBank has made significant progress in this area in recent years:

- **Implementing a robust business.**
- **Conducting an ESG materiality assessment**, which qualitatively assesses the main impacts that ESG factors may have on "traditional" risks. This analysis incorporates non-climate change environmental risks and, in this area, has focused on vectors of impact on nature.

- **Definition and implementation of customer intake and operations process.**
- **Publication of the interim Decarbonisation Targets** for 2030 in the framework of the Net-Zero Banking Alliance (NZBA) and the commitment to be carbon neutral by 2050. In total, the Bank has published targets for 9 sectors: Power generation, oil and gas, automotive, iron and steel, thermal coal (phase-out), real estate (residential and commercial), shipping, aviation and agriculture. In addition, due to the non-NZBA materiality of the aluminium and cement sectors, it has been determined not to set decarbonisation targets for these sectors and to monitor relative exposure.
- **Decarbonisation targets** were also set for the corporate investment portfolio of the insurance business.

03 MINIMISING AND OFFSETTING THE IMPACT OF ITS OPERATIONS

The global strategy for minimising the direct impact of CaixaBank's own operations (operational footprint) is based on eight main lines of action, as defined in the 2022-2024 Environmental Management Plan. The deployment of this Plan is incorporated into the 2022-2024 Sustainable Banking Plan and establishes quantitative objectives for all the years of the Plan, which enable the degree of success of its implementation to be measured.

³⁸ [Corporate Sustainability/ESG Risk Management Policy](#)

Nature



Biodiversity and ecosystems are key to the planet, the economy and social well-being, and their degradation and loss, as well as resource scarcity and associated impacts, threaten the livelihoods of society at large.

One of the vectors of direct impact on nature is climate change and, in turn, the loss of nature has negative effects on climate change: Protecting nature and limiting global warming are therefore complementary objectives.

In this context, the Kunming-Montreal Global Biodiversity Framework (GBF) was approved in December 2022 at the Conference of the Parties to the Convention on Biological Diversity (COP15). The GBF aims to halt and reverse the loss of nature, in line with the Vision 2050 of "Living in Harmony with Nature". This framework, agreed upon by nearly 200 countries, calls for aligning private financial flows with the goals of reversing nature loss by 2030 and achieving the 2050 Vision.

For financial institutions, the main impacts, risks and opportunities related to nature come mainly from their value chain. It is worth noting that their identification, assessment, and management in the financial sector is a complex and evolving area, as there are no standardised and robust measurement methods, nor tools with disaggregated and comparable quantitative data. Thus, CaixaBank considers it necessary to work collaboratively with other actors and economic agents for collective progress.

CaixaBank carries out multiple actions to reduce the negative impact on nature and to preserve it and contribute to strengthening biodiversity and ecosystems, both in relation to its operational impacts and those of its customers and the companies in which it invests.

The Bank has defined a 2050 decarbonisation target for the loan and investment portfolio linked to the banking activity and for corporate investments in the insurance activity; it also carries out engagement actions with customers and issuers which, when material, include nature-related aspects and, among other initiatives, promotes reforestation projects verified by independent external parties to offset the operational emissions that it has not been able to reduce.

Working on this basis, the company is committed to advancing, in accordance with the knowledge, data and technology available at any given time, as well as with the applicable regulations, its roadmap on nature as defined in the aforementioned Statement on Nature with a particular focus on the following areas of action:

/ AREAS OF ACTION RELATED TO NATURE

01 **Advance in the identification and measurement of impacts and dependencies**, as well as the materiality of nature-related risks for Caixa-Bank's activity.

02 **Advance the integration of nature into sustainability risk management**, both in relation to cross-cutting considerations and sectoral criteria.

03 **Support clients in their efforts to preserve nature** and contribute to channelling funds to activities with a positive impact on nature, through the bank's financing, investment and asset management activity.

04 **Manage our operational impacts on the loss of nature and ecosystem services** (and contribute to generating positive impact).

05 **Integrate nature** into the training programmes for the bank's staff.

06 **Engage with customers, issuers, regulators and other stakeholders** to promote awareness and action for nature, reduction of pressures on nature and the global transition to a more sustainable economy.

07 **Build an ecosystem of collaboration and participation** in collaborative initiatives to generate knowledge and contribute to addressing the drivers of nature loss.

08 **Transparently inform markets** and stakeholders on progress in this area.

To make progress in these areas, during 2024, the Entity has signed up to collective initiatives for joint learning in the field of nature: Partnership for Biodiversity Accounting Financials (PBAF), as an observer, and TNFD Forum, which are added in 2023 to the Spring initiative (via VidaCaixa and CaixaBank Asset Management) and to the Nactiva Platform.

In addition, it has started work on measuring impacts and dependencies related to the nature of the corporate loan portfolio, based on the ENCORE tool.

During 2024, it has also integrated nature-related aspects into its sustainability risks management policies and its materiality risk analysis to encourage investment in projects and companies with a positive impact on the environment.

Moreover, in relation to engagement and involvement with stakeholders, the company has held 5 awareness-raising events on sustainability with customer businesses (medium and medium-large) in the agri-food sector where, where material, risks and opportunities linked to nature are also addressed (with around 180 attendees). The VidaCaixa and CaixaBank Asset Management 2024 Engagement Plan has also been published, which includes nature and climate as one of the three priority areas for dialogue with issuers. Finally, it is worth highlighting an internal informational session on circular economy and natural capital for the group of sustainability Leaders, teams involved in sustainability risks and other specialised groups.

In general, and considering that CaixaBank aspires to be a leader in sustainable banking, it is committed to advancing in the management of nature-related risks; directing capital flows towards purposes compatible with the conservation, restoration and sustainable use of nature; and integrating nature into decision-making processes.

Aligning the credit and investment portfolio with the Paris Agreement

Driving the sustainable transition of companies and society is one of the three ambitions of CaixaBank's **2022-2024 Sustainable Banking Plan**. To achieve this objective, CaixaBank has focused on the **decarbonisation of the Group's loan and investment portfolio**.



In this regard, CaixaBank has made a commitment to be carbon neutral by 2050, including its lending and investment portfolio, through its commitment as a founding member of the Net-Zero Banking Alliance (NZBA). In addition, in 2022, VidaCaixa was the first insurance and pension fund management company in Spain to join the Net-Zero Asset Owner Alliance (NZAOA) initiative. With this membership, VidaCaixa also undertakes to achieve neutrality in net greenhouse gas emissions of the investment portfolio before 2050.

Signing the NZBA is an increase in climate ambition with respect to our previous commitments, such as the Collective Commitment to Climate Action, as it requires realignment with the objective of limiting temperature increases to 1.5°C above preindustrial levels.

Currently, NZBA is the benchmark standard for setting decarbonisation targets in the banking sector, representing 40% of banking assets globally, committing institutions to setting

science-based targets. However, being aware that SBTi (Science Based Targets Initiative) is the reference standard for the non-financial sectors, initiatives are underway to assess how to reconcile the two standards without duplicating objectives and efforts. Within the NZBA working group, led by UNEP FI and of which CaixaBank is a member, work is underway to resolve these issues and determine next steps.

As mentioned, the "zero issuances by 2050" commitment of the Net-Zero Banking Alliance (NZBA) also includes the emissions of customers who receive financing from the Bank (loan portfolio). Therefore, to accompany its customers in the transition to a more sustainable future, with specific plans and targets, CaixaBank undertook to publish intermediate decarbonisation targets for the most intensive-emissions sectors indicated in the UNEP FI Guidelines for Target Setting, prioritising the most relevant ones in CaixaBank's portfolio.

Decarbonisation of sectors highly intensive in greenhouse gas emissions

CaixaBank published its **first decarbonisation targets for 2030** in October 2022 for the electricity generation and oil and gas sectors. In 2023, it published targets for the thermal coal, iron and steel, and automotive sectors.

Finally, in April 2024 CaixaBank published decarbonisation targets for 2030 for **5 new sectors**: Real estate (residential and commercial), shipping, aviation and agriculture. In addition, due to the non-NZBA materiality of the aluminium and cement sectors, it has been determined not to set decarbonisation targets for these sectors and to monitor relative exposure. Should the individual exposure of any of these sectors represent more than 1% of the total portfolio of non-financial companies for three consecutive months, the Bank will consider setting the Net-Zero target.

With the publication of these latest targets, CaixaBank completes the phase of setting 2030 decarbonisation targets for the sectors prioritised by the NZBA commitment. As a founding member of the Net-Zero Banking Alliance (NZBA), CaixaBank is committed to becoming carbon neutral by 2050.

Environmental Management Plan

CaixaBank **carries out its activity while protecting the environment.** Therefore, the Bank implements and carries out environmental and energy best practices in accordance with its Sustainability Policy.

In order to reduce its environmental impact, CaixaBank has a **2022-2024 Environmental Management Plan** which includes impact reduction targets based on innovation and efficiency, focusing on reducing emissions from its own activity and the value chain.

This plan, which focuses on CaixaBank's operational management, includes lines of action relating to climate change, but also addresses the environmental impact of other vectors, such as waste management, water consumption and pollutant emissions, in order to minimise them as far as possible.

The plan sets quantitative goals for each year of its duration, aligned with the climate strategy, and focused on reducing the direct impacts of the Group's own activities.

The 2022-2024 Environmental Management Plan has eight lines of action:

/ LINES OF ACTION OF THE ENVIRONMENTAL MANAGEMENT PLAN

- 01 **Governance** in environmental management.
- 02 **Carbon footprint** mitigation strategy.
- 03 **Greening procurement** and contracting.
- 04 **Environmentalisation of the catalogue of non-financial products.**
- 05 Commitment to the **circular economy.**
- 06 **Sustainable Mobility Plan.**
- 07 **Promoting efficiency.**
- 08 **Renewal of voluntary certifications** and extension of scope.

GHG Emissions for 2023 offset through reforestation

75 %

The energy that CaixaBank uses comes from renewable sources

100 %



In 2023, CaixaBank made significant progress in points 01, 02 and 08 of the **Environmental Management Plan**:

01. Governance in Environmental Management at a Group level

CaixaBank has promoted the implementation of an Environmental Management Action Plan for each of the Group companies.

Characteristics of the plan:

- **Mandatory requirements.** All Group companies' Environmental Management Action Plans must comply with compulsory requirements such as: The use of recycled paper or the implementation of separate waste collection.
- **Implementation of environmental management indicators.** All Group companies work with environmental management indicators to measure their impact and to be able to assess the effectiveness of the projects implemented. They will also serve to set quantitative targets for reducing environmental impact.

02. Carbon Footprint mitigation strategy

Voluntary climate change commitments, such as the Ministry's Carbon Footprint Registry (MITERD), have been renewed.

In addition, offsetting activities were carried out for emissions not avoided in 2022, both from corporate buildings and the entire commercial network for Scopes 1, 2 and 3.6 (corporate travel).

Carbon footprint of procurement

Suppliers with a turnover of more than €1.5 million will have to calculate and enter their carbon footprint in the technical questionnaire provided for this purpose on the CaixaBank supplier management platform.



In 2022, CaixaBank reached **zero emissions in Scope 2**

08. Renewal of voluntary certifications and extension of their scope

Reduction of emissions will be achieved through implementation of **environmental efficiency measures**, monitoring of indicators and implementation of an environmental and energy management system in accordance with ISO 14001, ISO 50001 and the European EMAS regulation. This will enable performance of activity while protecting the environment.

CaixaBank, S.A. has five ISO 14001-certified buildings, one ISO 50001-certified building and one building certified under the EMAS Regulation, as well as the Environmental Quality Mark in all the branches of the network in Catalonia, meaning that approximately 30% of the workforce is working in certified buildings or branches. Other Group companies, such as Banco BPI, have three ISO 14001 certified buildings. Likewise, CaixaBank Facilities Management and CaixaBank Tech also have Environmental Management Systems certified under the umbrella of ISO 14001.

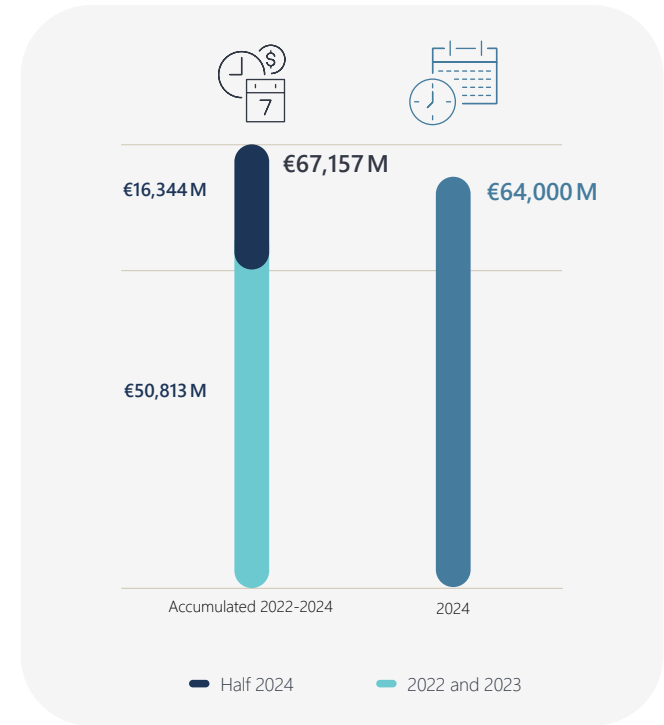


€64,000 M
SP Target 2022-2024

Financing the transition to a carbon-neutral economy

CaixaBank is committed to **sustainability through the design and marketing of products that integrate ESG criteria** and promotes environmentally sustainable and socially inclusive activities that contribute to the transition towards a carbon-neutral economy.

The third strategic line of the 2022-2024 Strategic Plan aims to consolidate CaixaBank as a benchmark in sustainability in Europe. To achieve this, one of the initiatives is to promote and offer sustainable financing and investment solutions. CaixaBank set itself the objective of mobilising €64 billion³⁹ in sustainable production over the 2022-2024 period for its business in Spain. By the end of June 2024, this target had been exceeded, reaching €67.157 billion.



€67,157 M

Mobilised from January 2022

€57,294 M

Sustainable financing

€9,863 M

Sustainable brokering

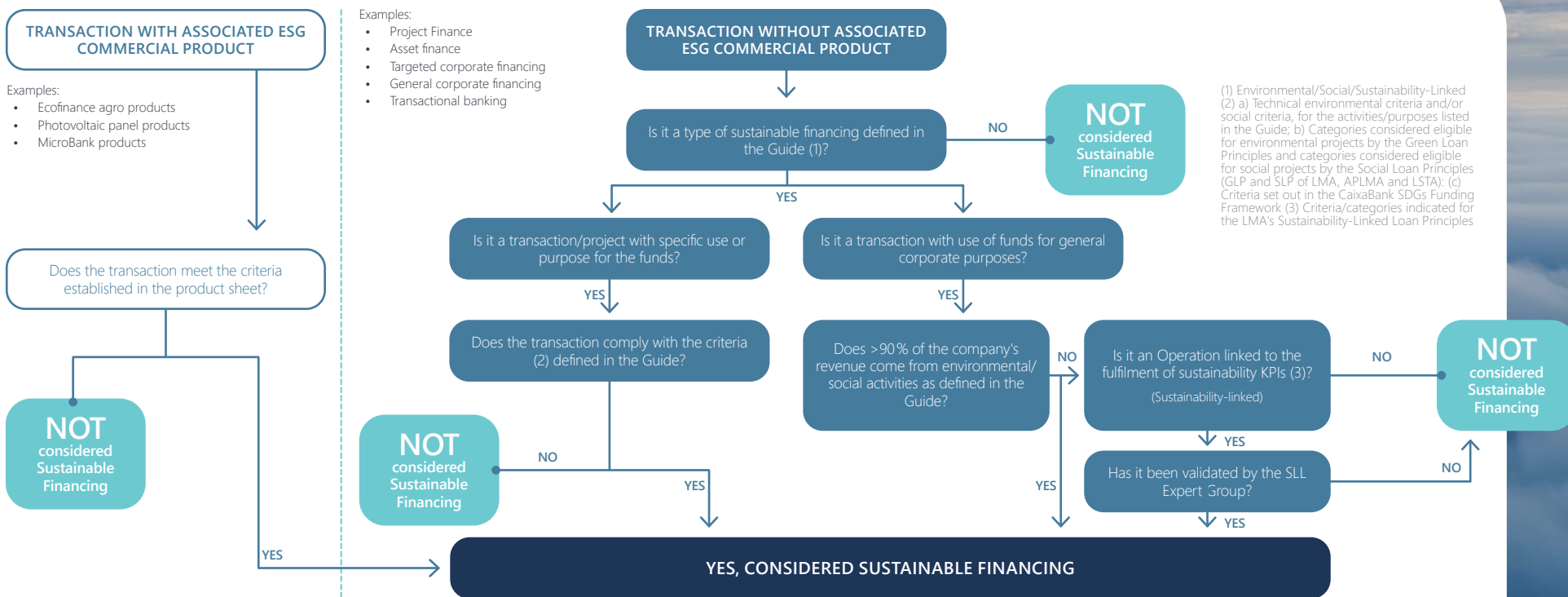
³⁹ The amount of sustainable finance mobilised includes: i) Sustainable mortgage financing ("A" or "B" energy performance certificate), financing for the energy rehabilitation of housing, financing of hybrid/electric vehicles, financing of solar panels, agricultural eco-financing and microcredits granted by MicroBank; sustainable financing for companies, property developers and CIB&IB. The amount employed for the purpose of mobilising sustainable financing is the risk limit formalised as part of sustainable financing transactions for customers including long-term, working capital and signature risk. Other factors considered: i) renewal transactions and the tacit or explicit renewal of sustainable financing; ii) CaixaBank's proportional share in the issue and placement of sustainable bonds (green, social or mixed) by customers; iii) net increase in Assets under management at CaixaBank Asset Management as regards products classified under Articles 8 and 9 of the SFDR regulations (includes new funds/merger of funds registered as per Articles 8 and 9, plus net contributions - contributions less withdrawals - including the market effect on the valuation of units); and iv) gross increase in assets under management at VidaCaixa in relation to products classified under Articles 8 and 9 of the SFDR (includes gross contributions - without considering withdrawals or market effect - to Pension Funds (FFPP), Voluntary Social Welfare Schemes (EPSV) and Unit Linked classified as per Articles 8 and 9 under SFDR).

Guide for Identifying Sustainable Financing

In 2023, CaixaBank published the **Guide for Identifying Sustainable Financing**⁴⁰, which aims to define the criteria for considering CaixaBank's financing arrangements for individuals and companies as sustainable, as well as their contribution to the SDGs.

Sustainable financing arrangements have their origins in the business units. The process starts by checking whether the purpose of the financing requested by the customer meets the sustainability criteria according to the Guide for Identifying Sustainable Financing.

The following chart illustrates the process of identifying sustainable financing transactions:



⁴⁰ Sustainable Finance Identification Guide (currently being reviewed by an external agency).

Incentive mechanism for the origination of sustainable transactions

CaixaBank has a **Financing Framework linked to the SDGs**, as part of which it issues financial instruments, such as bonds, which finance the bank's green, social and/or sustainable financing activities. To promote the origination of green/social/sustainable transactions by the Bank's business teams, the Bank has an **internal incentive mechanism** in place to promote sustainable financing. The use of this incentive for green assets came into effect in 2022 and its extension to social assets came into effect in 2023.

This premium rate applies uniformly to any new financing transaction that complies with the SDG-F Framework, regardless of geographic location or business unit (e.g. corporate loans, project finance, mortgage loans, etc.) and is adjusted for the term of the transaction. The implementation of green and corporate premiums generates incentives for the bank's commercial teams, encouraging this type of financing, which is then applied as collateral for green and corporate bond issuances.

Sustainable financing

CaixaBank is widely recognised for its global leadership in sustainable finance.



During the **first half of 2024**, CaixaBank promoted the financing of sustainable activities, **granting €11,565 M.**



Green	€3,735 M	Retail	€1,277 M
Social	€3,790 M	Corporate	€1,732 M⁴¹
Sustainability-linked	€4,040 M	CIB & IB	€8,556 M

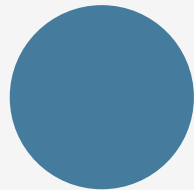
⁴¹ Development activity contributed €726M.

/ DETAILS ON GREEN FINANCING



€3,735 M

Financing by category



41%
(€1,525 M) Real
Estate



39%
€(1,451 M) Renewable
energies⁴²



18%
(€679 M)
Transport



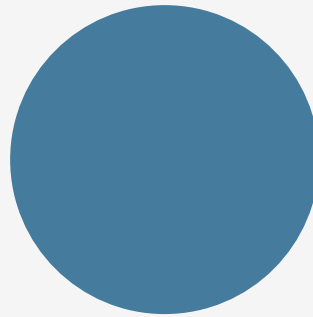
2%
(€80 M) Other

/ DETAILS ON SUSTAINABILITY-LINKED LOANS



€4,040 M

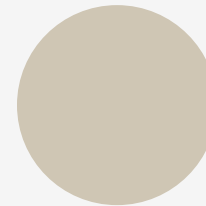
Financing by category



53%
Mitigation



8%
Biodiversity



20%
Other



11%
Governance



5%
Circular
economy



3%
Social

Loan transactions granted

42

Sustainability-linked
financing

€4,040 M

⁴² Includes renewable energy financing operations – Project Finance and others.

Sustainable brokering

The mobilisation of sustainable finance, in addition to sustainable financing, includes **sustainable intermediation**, which is made up of CaixaBank's proportional participation in the issue and placement of sustainable bonds, as well as the increase in assets under management by CaixaBank Asset Management and the gross increase in assets under management by VidaCaixa in products classified under articles 8 and 9 of the SFDR regulations.

Sustainable Intermediation 1st half 2024

€4,779 M

Participation in the placement of sustainable bonds (excluding own issues)

€1,171 M

Increase in sustainable assets under management

€3,608 M

Risks and opportunities arising from climate change

Climate risks, considered part of environmental risks, are risks associated with climate change that can potentially affect people, natural ecosystems and economic sectors. Conceptually, they are classified into physical and transitional risks.

- The **physical risks** are risks linked to weather events, which can be chronic or acute and can lead to physical damage to assets (infrastructure, real estate), disruptions in production or supply chains and/or changes in the productivity of economic activities (agriculture, energy production).
 - Chronic: changes in weather patterns, average temperatures, rainfall, rising sea levels, etc.
 - Acute: greater extreme events and increase in the intensity and severity of tornadoes, hurricanes, floods, etc.
- The **transition risks** are risks associated with the process of transitioning to a low-carbon economy.
 - Political-legal: changes in regulations and standards.
 - Technological: energy-efficient alternatives, obsolescence. Market risk: Changes in the preferences of consumers and market participants.
 - Market risk: Changes in the preferences of consumers and market participants.

These risks will depend on the probability and intensity of the events and the companies' ability to respond to or anticipate them. In this regard, CaixaBank incorporates best management practices and robust measurement systems.

In the chapter on risk management, a materiality assessment is presented, which has focused on the qualitative and, in some cases, quantitative assessment of the main impacts that ESG factors may have on the main financial and cross-cutting risks (credit, liquidity, market, operational, reputational and business profitability risks) for the different portfolios.

All these risks, once identified and properly managed, provide opportunities for mitigation and control, as well as for investment with a long-term and transformational vision.

/ RISKS

/ PHYSICAL RISK

/ TRANSITION RISK

Credit	<ul style="list-style-type: none"> – Probability of default: physical risk can result in damage to assets (fixed, productive, material, etc.), productivity downturns, non-viability of business models, disruption of supply chains or trade routes, etc. which can increase the probability of customer defaults. – Value of collateral: may also affect the value of assets received as collateral by impacting the recovery rate in the event of default. 	<ul style="list-style-type: none"> – Probability of default: The most carbon-intensive sectors and/or those affected by energy transition policies would be less profitable and/or will have greater investment needs. Technological obsolescence, carbon prices or taxes, and changing market/consumer preferences can also affect companies that fail to adapt to the new environment, compromising their medium- to long-term viability. Stranded assets will be generated that cannot be exploited/consumed, which will affect companies' profitability. – Guarantee value: depreciation of collateral as a result of being stranded and/or directly or indirectly affected by the transfer, reducing the recovery rate in the event of default.
Market	<ul style="list-style-type: none"> – Prices: Extreme weather events can result in a change in market expectations and generate variations in the prices of assets, commodities, etc.... – Maturities: physical events may cause changes in debt maturity expectations, altering repayment terms. 	<ul style="list-style-type: none"> – Prices: Transfer risks may involve price changes in derivatives and securities, e.g. due to stranded assets.
Operational	<ul style="list-style-type: none"> – Interruption of services: physical risks may directly impact the Bank's ability to conduct all of its services normally. – Damage to own assets. – Other: may exacerbate errors made in monitoring, reporting or data management. 	<ul style="list-style-type: none"> – Legal and compliance risk associated with the perception of non-compliance with adaptation obligations. Disclosure or marketing of sustainable products, which could lead to customer complaints, legal proceedings or sanctions by third parties.
Liquidity	<ul style="list-style-type: none"> – The increase in adverse weather events may result in a need for customers to withdraw money from their accounts to cope with the potential impacts of these events. This increase may also lead to losses in the value of liquid assets or problems in the reinvestment of debt. 	<ul style="list-style-type: none"> – A lack of alignment with the sustainable transition goals on the part of the Bank may lead to possible divestments or capital outflows by the Bank's shareholders.
	<ul style="list-style-type: none"> – Liquidity buffers may be affected by a reduction in the value of highly liquid coal-related assets due to an increase in temperatures or an increase in policies. 	
Reputational	<ul style="list-style-type: none"> – The impact of poor management in monitoring or mitigating extreme weather events can impact the Bank's reputation. 	<ul style="list-style-type: none"> – Possible instances of malpractice in the achievement of climate transition goals by the Bank or its counterparties may result in reputational impacts for the Bank. – Failure to meet expectations could also result in reputational risks that lead consumer preferences to shift to other entities.
Business risk	<ul style="list-style-type: none"> – Impacts from external or chronic physical events may affect the value of owned or funded assets. – Impact on performance due to GDP declines in a particular region following a physical event. 	<ul style="list-style-type: none"> – Factors such as changes in policies, legislation and regulation aimed at decarbonising the economy and market sentiment have an impact on the business environment, profitability and resilience of the strategy in the long term.

/ OPPORTUNITIES ARISING FROM CLIMATE CHANGE

- **Offers new avenues for financing sustainable projects:** loans linked to sustainability variables, green loans, renewable energies, financing of energy-efficient buildings and renovations that improve the energy efficiency of buildings and homes, eco-financing and sustainable mobility.
- **Broadening the investor base,** with a specific mandate to make a positive contribution to the fight against climate change, investing in green bonds.
- **Channelling savings and investment** of individual customers into investment products, funds and plans that promote a positive contribution to the fight against climate change.
- **Positive reputational impact** derived from proper climate risk management (positive investor and consumer sentiment).
- **Public commitment and transparency in reporting to the market** (adaptation to the development of the regulatory framework, social sensitivity to these risks and best market practices).

Transparent reporting

One of the ambitions of CaixaBank's Sustainable Banking Plan is to adopt best practices in transparency, which includes adopting the best standards of reporting at international level.

The objective of IFRS, as the successor to TCFD, is for companies to disclose information about their climate-related risks and opportunities in a way that is clear and transparent to users of financial reports for the overall purpose of assisting in the Bank's financial decision-making.

In this regard, CaixaBank continues to work towards meeting the requirements of IFRS S2 Climate-related Disclosures, focusing on the management and analysis of the risks and opportunities arising from climate change that may materially impact the Bank's financial statements, its access to financing or the cost of capital in the short, medium or long term.



06

Governance

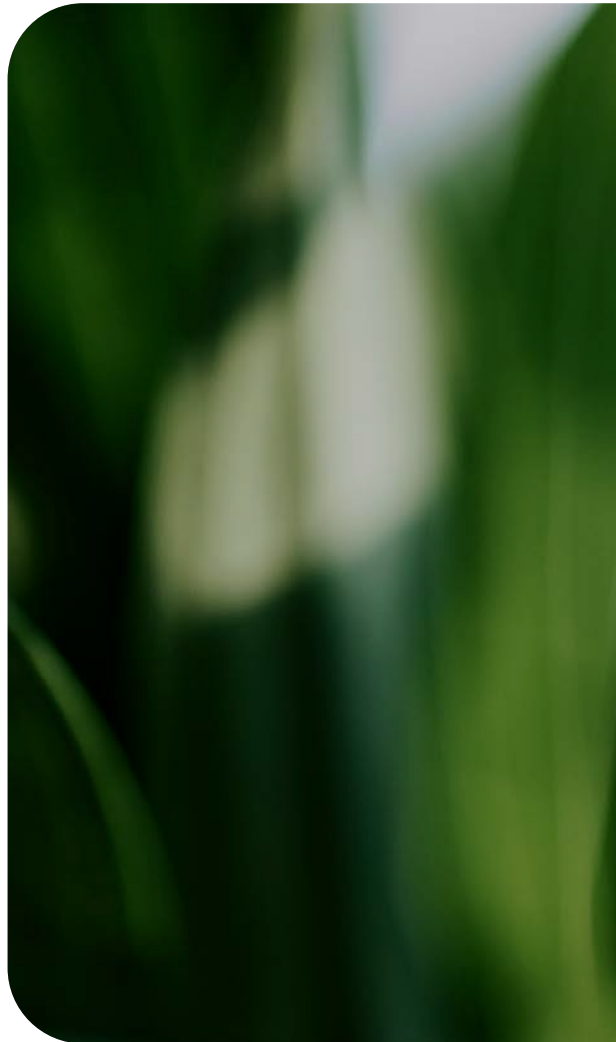
GOVERNANCE

Solid corporate governance enables companies to **maintain an efficient and methodical decision-making process**, because it introduces clarity in the allocation of roles and responsibilities and, at the same time, fosters proper risk management and the efficiency of internal control, which promotes transparency and limits potential conflicts of interest.

All this promotes management excellence that results in greater value contribution to the company and therefore to its stakeholders. Committed to sustainable banking, CaixaBank works to contribute to the progress of society as a whole.

As a benchmark in sustainable banking, CaixaBank has strengthened responsible business management and made progress in integrating social and environmental criteria into its activity, ensuring best practices in internal control and good corporate governance.

In line with its mission and vision, CaixaBank considers the integration of good corporate governance practices into its operations both essential and a strategic priority to ensure effective management and earn recognition for it



Sustainability governance

The oversight of climate change related risks and opportunities by the Board of Directors and Senior Management is supported by the existing governance and management structure.

Sustainability governance in general is one of the CaixaBank Group's priorities. The integration of ESG factors into the Group's business entailed the definition and review of policies, procedures and roles to ensure that ESG factors are taken into account in decision-making. In this respect, in recent years the Group has been working on:

- Definition and updating of ESG policies.
- Establishing criteria, roles and responsibilities.
- Integration into the Bank's systems and procedures.
- Measurement of performance and accountability.

The Board of Directors is the highest body responsible for approving the sustainability strategy and action principles, which include CaixaBank's actions in environmental, climate change and nature-related matters, among others, as well as supervising their correct implementation.

In order to have a solid sustainability governance system, a sustainability governance system has been established based on the structure of existing governance bodies, giving them new responsibilities in this area and complementing them with previously existing governing bodies (Management Committee and Global Risk Committee) and the creation of new internal committees, specialised in this area, such as the Sustainability Committee or other Steering Committees whose objective is to promote the various lines of work, such as the Net-Zero Banking Alliance (NZBA) or Project Earth (inclusion of ESG risks in the credit cycle).

In addition, this governance system will enable CaixaBank to meet its goal of implementing a coherent, efficient and adaptable ESG risk management governance model that oversees the achievement of the CaixaBank Group's goals, in line with the ECB's expectations and best market practices.

The structure of the sustainability governance model is described in the following graphic:

/ BOARD OF DIRECTORS

GOVERNING BODIES



MANAGEMENT BODIES



Governance bodies

Board of Directors

The Board of Directors⁴³ is the highest representative, management and administrative body of the Company, competent to adopt resolutions on all kinds of matters except those reserved for the Annual General Meeting (AGM). The Board of Directors approves and supervises the strategic and management guidelines established in the interest of all Group companies and ensures compliance with regulations, the application of good practices in the performance of their activities and the observance of additional, voluntarily accepted principles of social responsibility. Its functions include approving and overseeing the sustainability and climate change strategy and management.

The Board of Directors considers it essential to drive sustainability in the Group's businesses and activities. For this reason, it has always been closely involved in sustainability and climate change issues.

In relation to the strategy, the Board led, reviewed and approved the 2022-2024 Sustainable Banking Plan in December 2021. The Sustainable Banking Plan is part of the Bank's Strategic Plan, serving as the third strategic pillar and reflecting CaixaBank's ambition to solidify its position as a leader in sustainability.

Responsibilities in the field of ESG

- Approval and monitoring of the sustainability strategy highlighting the approval of specific policies, principles, statements and frameworks that include sustainability and climate change factors.
- Monitoring of sustainability management.
- In addition, the Board of Directors is responsible for implementing a risk governance framework commensurate with the Group's risk appetite. It includes the dissemination of a strong and diligent risk culture, the setting of risk appetite articulated in a Risk Appetite Framework (RAF) and defined responsibilities for risk-taking, risk management and risk control functions.

Key ESG approvals and discussions during 2023

The main approvals of sustainability policies, principles and statements, as well as the main topics discussed within the Board of Directors, are listed below:

1st quarter

- Approval of the CaixaBank Group's Non-Financial Information Statement (EINF), included in the Group's 2022 Management Report.
- Approval of the document "Sustainability, Socio-economic Impact and Contribution to the SDGs of the United Nations 2022".

2nd quarter

- Approval of the update of CaixaBank's Code of Ethics and Anti-corruption Policy.
- Approval of the Statement of the main adverse effects of investment decisions on CaixaBank's sustainability factors in relation to discretionary portfolio management.

3rd quarter

- The Board was informed on the status of the decarbonisation objectives and the 2022-2024 Sustainable Banking Plan.
- The Board was briefed on the relevant Pillar III content for the second quarter.

⁴³ [Board of Directors](#)



4th quarter

- Approval of the Statement related to advisory activities and linked to the terms established in the Delegated Regulation.
- Approval of the CaixaBank Climate Report.
- The Board was informed of the progress of the current decarbonisation metrics in compliance with the decarbonisation commitments undertaken as a member of the Net-Zero Banking Alliance (NZBA) as of April 2021.
- Approval of the Green Bonds Report and the Social Bonds Report.
- The Board was informed on the results of the 2023 double Materiality Assessment.

By 2024, up to the issuing of this report, the Board has dealt with the following issues:

1^{er} quarter

- Approval of the update of the Statement on Nature.
- Approval of CaixaBank Group's 2023 Non-Financial Information Statement (EINF), which forms part of the 2023 Management Report.
- Approval of the update of the Sustainability Principles.
- Approval of the update of the CaixaBank Human Rights Principles.
- Approval of the update of the Statement on Climate Change.
- Approval of the update to the Corporate Sustainability/ESG Risk Management Policy.
- Approval of the update of the document containing the Principles for Action of the Corporate Sustainability / ESG Risk Management Policy.
- Approval of the Report "Sustainability, Socio-Economic Impact and Contribution to the SDGs 2023" (SISE 2023).

2nd quarter

- The 2030 decarbonisation targets for new NZBA sectors and metrics tracking were reported.
- Approval of the Statement of Material Adverse Impacts of Investment Decisions on Sustainability Factors for the financial year 2023.
- Approval of the Statement on Key Adverse Impacts of investment and insurance advice on sustainability factors.

ESG training for the Board

On a recurring basis over the last three years, the Board has received training sessions in the field of sustainability. In 2023, an update session was held, dedicated to the analysis of various topics, such as different business areas, sustainability, corporate governance and relevant aspects of regulation innovation or cybersecurity.

It should be noted that CaixaBank has directors with knowledge of environmental and climate change issues, as indicated in the matrix of competencies in the corporate governance section.

Board committees

As part of its self-organising function, the Board has various committees specialised by subject, with supervisory and advisory powers, as well as an Executive Committee. These committees also have specific roles in monitoring ESG risks and opportunities. There are two committees that stand out for their involvement in sustainability and climate change.



Appointments and Sustainability Committee

The Appointments and Sustainability Committee is made up of non-executive directors, in the number determined by the Board, with a minimum of 3 and a maximum of 5 members, the majority being independent directors. Members of the Appointments and Sustainability Committee⁴⁴ are appointed by the Board on a proposal received from the Committee itself. Meanwhile, the Committee Chairman will be appointed from among the independent directors sitting on the Committee.

Responsibilities in the field of ESG:

- Supervises the Company's actions in relation to sustainability, as well as compliance with the its environmental and social policies and rules, evaluating and reviewing them periodically so that they fulfil their mission of promoting social interest and
- take into account, as appropriate, the legitimate interests of the remaining stakeholders, as well as to submit the proposals it deems appropriate in this area to the Board and, where appropriate, to submit the sustainability/corporate responsibility policy for approval. The Committee also monitors that the Company's environmental and social practices are in line with its strategy and policies.
- It is responsible for submitting the Sustainability Principles to the Board for approval.
- It reports, prior to its submission to the Board, on the reports that the Bank makes public in matters of sustainability, including in all cases the review of the non-financial information contained in the annual Consolidated Management Report, ensuring the content's integrity and compliance with applicable regulations and international reference standards.



The Committee's competencies include examining policies on **sustainability/corporate social responsibility** as well as **diversity and sustainability issues**. The Committee also monitors **climate and environmental risks**.

⁴⁴ [Committees of the Board of Directors | CaixaBank](#)



Risks Committee

The Risks Committee⁴⁵ is exclusively made up of non-executive directors who possess the appropriate knowledge, skills and experience to fully understand and manage the Bank's risk strategy and risk propensity, in the number determined by the Board of Directors, subject to a minimum of 3 and a maximum of 6, with a majority of members to be independent directors.

Responsibilities in the field of ESG:

- Responsible for proposing to the Board the Group's risk policy, including ESG risks and more specifically climate risks.

In addition, the following committees have ESG responsibilities:

Audit and Control Committee

Responsibilities in the field of ESG:

- It oversees the process of preparing and submitting regulatory financial and non-financial reporting of the Bank, and where applicable, the Group, which includes sustainability information, inter alia, climate-related information.

Remuneration Committee

Responsibilities in the field of ESG:

- Setting variable remuneration linked to ESG factors.

Management bodies

The Group incorporates sustainability into its day-to-day business, both in customer relations and internal processes. The management bodies are responsible for defining, implementing and developing the strategy adopted by the governing bodies, which incorporates sustainability and climate change as one of its priorities, which is cross-cutting in nature and it is the responsibility of all areas of the Group to progressively incorporate it into their duties.

CaixaBank has integrated sustainability monitoring and management into its existing management structure. In this respect, it has established the same internal control framework for non-financial reporting. This control framework is based on the three lines of defence model, which provides a reasonable degree of assurance that the Group's objectives will be achieved.

However, in order to promote sustainability, CaixaBank has a Sustainability Division, the head of which is part of the Management Committee and reports directly to the Chief Executive. CaixaBank also monitors sustainability management in the Sustainability Committee, which reports to the Management Committee.



The Chief Executive Officer, the Management Committee and the main Company committees are **responsible for the day-to-day management, implementation and development of the decisions taken by the governance bodies.**

⁴⁵Committees of the Board of Directors | CaixaBank

Management Committee

The Management Committee⁴⁶ meets weekly and is the highest management body responsible for approving the main lines of action in matters of sustainability.

In addition, various topics were raised for information and discussion within the Committee, such as: the EBA's practical assessments of climate risk disclosure, the ECB's review, climate risk disclosure practices and the climate risk disclosure timeline.

Sustainability Committee

It is the body reporting to the Management Committee responsible for approving CaixaBank's sustainability strategy and practices and monitoring them, as well as proposing and submitting for approval by the corresponding governance bodies the general policies for sustainability management. Its mission is to contribute to CaixaBank's recognition as a benchmark in sustainability, reinforcing its positioning through its sustainable banking model.

The Sustainability Committee meets on a monthly basis, is chaired by the Sustainability Director, a member of the Management Committee, and is formed by managers from different areas of the Group: Sustainability; Business Management; Compliance, Control and Public Affairs; Risk Management; Communication and Institutional Relations; Finance; Accounting, Management Control and Capital; General Vice-Secretariat; Legal Advisory; Resources; Human Resources; Internal Audit; CaixaBank Asset Management; VidaCaixa; BPI; MicroBank and CaixaBank Payments & Consumer.

Its main duties are:

- Overseeing the Bank's Sustainable Banking Plan and assessing its degree of compliance, as well as reviewing and proposing the sustainability strategy and associated objectives.
- Monitor projects and initiatives for the deployment of the Sustainable Banking Plan.
- Promoting the integration of sustainability criteria in business management and in all other areas of the Bank.
- Understanding and analysing regulatory requirements, trends and best practices in the sustainability sector.
- Reviewing and approving the information to be disclosed to the market regarding sustainability, submitting it, where appropriate, to the governance bodies prior to publication or disclosure.
- Report to the Management Committee on the resolutions of the Sustainability Committee, progress in the implementation of the Sustainable Banking Plan, policy proposals for sustainability management, as well as statements and standards.
- Reporting to the Global Risk Committee issues related to sustainability risk management policies, reporting and monitoring of assigned RAF metrics, and periodic reporting related to sustainability risks.
- Reviewing and approving the annual action plan with sustainability analysts. Assessment report for submission to the Management Committee regarding dispute management, in accordance with CaixaBank's procedure for serious ESG disputes approved by the Sustainability Committee itself.
- Promoting training and engagement in sustainability within and outside the organisation.
- Taking decisions on risk-related matters in accordance with the powers defined in the Corporate Sustainability/ESG Risk Management Policy.
- Promoting and ensuring that the implementation of commitments arising from adherence to voluntary sustainability principles is adequate.



12

Committees held in 2023 11 ordinary and 1 extraordinary meetings



131

Topics submitted, of which 39 are executive submissions

⁴⁶Management Committee

Global Risk Committee

Body that reports to the Risks Committee, responsible for the overall management, control and monitoring of ESG risks, in addition to others, as well as their implications in terms of management of liquidity, capital solvency and capital consumption.

In particular, the Global Risk Committee shall ensure that exposures identified as material to ESG risks, as well as any aspect of the Group's operations that could materially influence the ESG risk profile and compliance with established risk appetite levels, are properly identified, measured, assessed, managed, mitigated and reported.

Sustainability Department

The responsibilities of the Sustainability Department include:

- Coordinating the definition, updating and monitoring of the Group's sustainability strategy, as well as updating the CaixaBank Sustainability Action Principles, which are applicable to all employees, executives and members of governance bodies to ensure that the Bank is transparent, independent and well governed in order to safeguard the interests of people and the territory.
- Defining the principles of action in relation to ESG risk management, as well as advising on their application criteria, validating said criteria and transposing them into the corresponding analysis tools.
- Assess and analyse the Bank's participation in climate and sustainability associations.

The organisational structure of the Sustainability Department is shown below:



/ SUSTAINABILITY DEPARTMENT



Governance, organisation and risk management

The Board of Directors states that the CaixaBank Group's risk management framework is appropriate in relation to its strategy and target risk profile.

The Group's risk management framework, which is set out in the Corporate Global Risk Management Policy approved by the Board of Directors, is subject to continuous review, with no significant changes having been made during financial year 2023. Notable is the identification of strategic events⁴⁷ of risks, as a result of the process of Risk Assessment, as well as the identification of sustainability risk (ESG, environmental, social and governance) as a material cross-cutting factor for the risks of the credit catalogue, reputational and other operational risks, with mention also being made of climate change and other environmental risks in the definitions of the scope of legal and regulatory risk.

CaixaBank's internal control framework, based on the three lines of defence model, provides a reasonable degree of assurance that the Group will achieve its objectives⁴⁸.

First line of defence

Consists of the business lines and units, together with the support areas, that give rise to the Group's risk exposure in the course of its activity. Assumes risks taking into account the Group's risk appetite, authorised risk limits and existing policies and procedures, and it is part of its responsibility to manage these risks. Responsible for developing and implementing control processes and mechanisms to ensure that the main risks arising from their activities are identified, managed, measured, controlled, mitigated and reported.

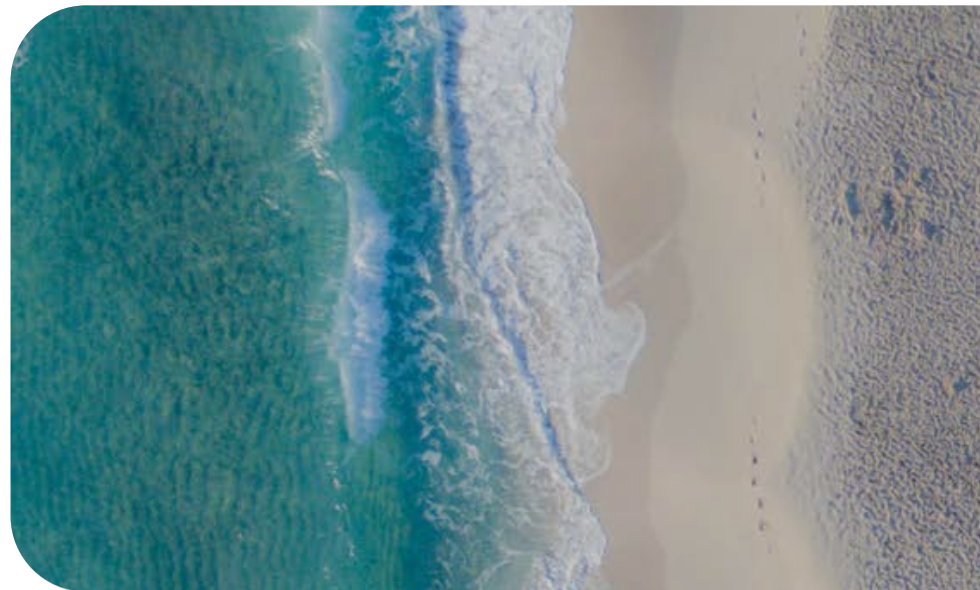
The business lines and support areas integrate control into their daily activities as a basic element reflecting the Group's risk culture.

These functions may be embedded in the business units and support areas. However, when the complexity or intensity of the situation so require, specific control units are set up, which are more specialised, to ensure that the risks are properly controlled.

Second line of defence

Made up by the risk management and compliance functions. Among other functions, they are responsible for:

- The development, in coordination with the first line of defence, of risk management policies aligned with the Risk Appetite Framework (RAF), with subsequent assessment of compliance.
- Identification, measuring and monitoring of risks (including emerging risks), which contributes to the definition and implementation of risk, process risk and control indicators.
- Regular monitoring of the effectiveness of indicators and controls of the first line of defence, as well as indicators and controls of the second line of defence.
- Monitoring of the identified weaknesses in the control function, as well as establishing and implementing action plans to remedy them.
- Expressing of an opinion on the suitability of the risk control environment.



⁴⁷ Relevant events that may result in a significant impact for the group in the medium term.

⁴⁸ More information in the [2023 Pillar 3 Disclosures Report](#)

The Risk Management function

In addition to identifying, defining risk tolerance limits, measurement, monitoring, management and reporting of the risks within its sphere of competence:

- Ensure that all risks to which the Group is or may be exposed are adequately identified, assessed, monitored and controlled.
- It provides the Governing Bodies with an aggregated view of all risks to which the Group is or may be exposed, including an aggregated version of the operational control environment of the risk processes.
- It monitors risk-generating activities, assesses their compliance with the approved risk tolerance and ensures forward planning of the corresponding capital and liquidity needs under normal and adverse circumstances.
- It monitors compliance with the risk appetite limits approved by the Board of Directors.
- It validates and controls the correct functionality and governance of risk models, verifying their suitability in accordance with regulatory practices.

At CaixaBank, the risk management function is carried out by the Corporate Risk Management Function & Planning as well as the Compliance, Control and Public Affairs departments, as established in the Risk Management Function Charter approved by the Board of Directors in June 2024, which is reviewed regularly.

Compliance function

The mission of the compliance function is to identify, assess, monitor and report on the risks of sanctions, financial loss or reputational damage to which the Bank is exposed, as a result of non-compliance or defective compliance with laws, regulations, judicial or administrative requirements, codes of conduct or ethical and good practice standards, relating to its scope of action and with reference to legal & regulatory, and conduct & compliance risks (both risks jointly fall under Compliance Risk); its mission is also to advise, inform and assist senior management and the governance bodies on regulatory compliance matters, promoting, through training, information and awareness actions, a culture of compliance throughout the organisation.

The compliance management model is designed around two main pillars: the taxonomy of compliance risks and the three lines of defence model. The function uses the following key elements to ensure adequate coverage of Compliance Risk: compliance programme, annual compliance plan and monitoring of gaps (control deficiencies or regulatory non-compliance) identified and of the action plans for their mitigation. The function also carries out advisory activities on matters within its remit and carries out actions to promote culture throughout the organisation (training, awareness-raising and corporate challenges).

Third line of defence

Internal Audit acts as the third line of defence, independently overseeing the activities of the first and second lines of defence so as to provide reasonable certainty to Senior Management and governing bodies with regard to:

- The effectiveness and efficiency of internal control systems in offsetting the risks associated with the Group's activities:
- Compliance with prevailing legislation, particularly with regard to the requirements of supervisors, and adequate application of the defined global management and risk appetite frameworks.
- Compliance with internal policies and regulations, and alignment with best practices and uses in the sector, for adequate internal governance of the Group.
- The reliability and integrity of information, including the effectiveness of system of Internal Control over Financial and Non-financial Reporting (ICFR and ICFRS).

Sustainability-linked remuneration system

In line with CaixaBank's responsible management model, **30% of the Chairman and Chief Executive's annual variable remuneration is linked to ESG factors**, such as Quality, Conduct and Compliance challenges and the Mobilisation of Sustainable Finance.

Furthermore, in the adjustment with multi-year metrics of this variable remuneration, 25% is linked to the Mobilisation of Sustainable Finance challenge in the long term. These factors are also included in the determination and adjustment of variable remuneration for members of the Management Committee and the rest of the Identified Staff, as well as for executives who report directly to members of the Management Committee with challenges with multi-year metrics.

From 2022 to 2024, the ESG factors linked to sustainable financing have been progressively added to the Quality and Conduct challenges, which were already applicable to the Bank's entire workforce, in determining variable remuneration. The process began with Private Banking and Central Services, Business Banking and Corporate and International Banking were included in 2023, and it was concluded by incorporating these elements in the determination of the variable remuneration of the Retail Banking and Remote Banking segments. Thus, the linking of ESG factors in the determination of variable remuneration now affects the entire CaixaBank workforce.

From January 2022, the variable remuneration of Executive Directors, similar to the model applicable to the other members of the Group's Identified Staff⁴⁹, consists of a risk-adjusted variable remuneration scheme based on performance measurement that is awarded annually on the basis of annual metrics with a long-term adjustment through the establishment of multi-year metrics.

Annual and multi-annual factors are used to measure performance and to evaluate individual results.

The corporate challenges, with a weighting of 100%, are set annually by the Board, at the proposal of the Remuneration Committee, with a degree of achievement in the range of 80%-120% and whose determination is based on the concepts aligned with the strategic objectives.

The multi-year metrics will have associated compliance scales, so that if the targets set for each of them are not met within the three-year measurement period, they may reduce the deferred portion of the variable remuneration pending payment, but never increase it.

Since 2021, sustainability risk factors understood as Environmental, Social and Governance have been incorporated into the General Remuneration Policy. In order to align variable remuneration with sustainability and good corporate governance goals, the weighting of metrics linked to ESG factors (such as sustainability, quality and conduct and compliance) in both annual and long-term variable remuneration schemes increased in 2022. This multi-year variable remuneration scheme in place starting in 2022 (for the executive Directors the Board of Directors, the Identified Staff and the Bank's main executives) includes sustainability criteria among its metrics, with a weight of 25%. For both annual variable remuneration and multi-year variable remuneration, the selected sustainability metric is the mobilisation of sustainable finance, understood as new production. This metric is itself one of the top-level KPIs of the Sustainable Banking Plan and the Bank's Strategic Plan, set at €64,000 million cumulatively over the 2022-2024 period.

This objective aims to encourage sustainable investment by private and corporate customers, contributing to the energy transition towards more environmentally friendly production and consumption models and a fairer and more inclusive society, while maintaining excellence in corporate governance. In this way, the Bank aims to progressively migrate the balance sheet towards exposures with lower climate, environmental and social risk.

⁴⁹ Identified Staff is made up of directors, senior managers or employees whose professional activities have a significant impact on the risk profile of an entity.

07

Risk management

RISK MANAGEMENT

ESG (environmental, social and governance) **risks involve financial and reputational impacts** from factors not traditionally considered to be financial.

Appropriate management of ESG risks and the calibration of risk in strategic processes depends on the assessment of materiality. The most significant of these in the short, medium and long term are, potentially, those related to climate change (physical risks) and the fight to avoid it (transition risks).

ESG materiality assessment

Appropriate management of ESG risks, including climate risk, and the calibration of risk in strategic processes depends on the assessment of materiality.

The materiality assessment focuses on qualitative assessment of the main impacts ESG factors might have on the traditional risks, such as credit, liquidity, market, operational, reputational and business profitability risks, of the portfolios. In addition, quantitative analyses have confirmed the qualitative findings. These quantitative analyses are based on a proprietary measurement framework developed by the Bank to measure the impact of physical and transition risks in the short, medium and long term. The Incorpora measuring framework:

- The impacts of major physical risks (forest fires, river and coastal floods, droughts and heat waves) on mortgage collateral and customers' economic activity.
- Moreover, it captures the impacts of transition risk on the credit quality of companies considering carbon emissions, prices and investments needed for the transition, as well as the impact of increases in production costs on volumes and margins. It also includes transition risk in mortgage guarantees based on their energy efficiency.



Identification and assessment of environmental risks

Identification and assessment of climate risk

There are ESG risk factors, especially climate risks, that transfer to traditional risks, such as credit, operational, market, liquidity and business profitability risk. For this reason, society and business regard them as factors in traditional risks rather than as stand-alone or independent risks. Most financial institutions as well as regulators and supervisors have gradually adopted this approach in recent years.

Acute or chronic climatic/meteorological events, changes in regulation, technological development, changes in market preferences, etc. are transposed both micro- and macro-economically through asset values, damages, purchasing power, productivity, prices, etc. to credit, market, liquidity, operational, reputational, business environment and business profitability risks.

ESG risks, and climate risks in particular, have **specific characteristics** that make them difficult to measure and quantify:

There is a growing expectation from regulators and supervisors for entities to integrate ESG and, in particular, climate and environmental factors into their risk management processes.

Sustainability risk (ESG) is considered as a cross-cutting factor affecting various risks in the Catalogue (credit, reputational and other operational risks), and mentions of climate change and other environmental risks are also included in the definitions of legal and regulatory risk. Thus, since 2020, climate risk has been incorporated as a level 2 credit risk, and since 2018, environmental risk has been maintained as a level 2 reputational risk. In addition, the definitions of some N2 operational and legal and regulatory risk include mentions of environmental or climate change factors. Liquidity and market risks are not explicitly mentioned, given the low level of materiality that applies to them, but in any case it has been assessed that the stress tests carried out are of sufficient magnitude to include impacts in these areas of climate-related origin.

CaixaBank aims to ensure that procedures and tools for the identification, assessment and monitoring of climate risks are applied and integrated into its standard risk, compliance and operational processes.

01

Increased uncertainty as to the timing of possible events or actions.

02

Time horizons generally longer in their materialisation than those considered in financial risk assessment and strategic planning.

03

Lack of key indicators to support the analysis.

04

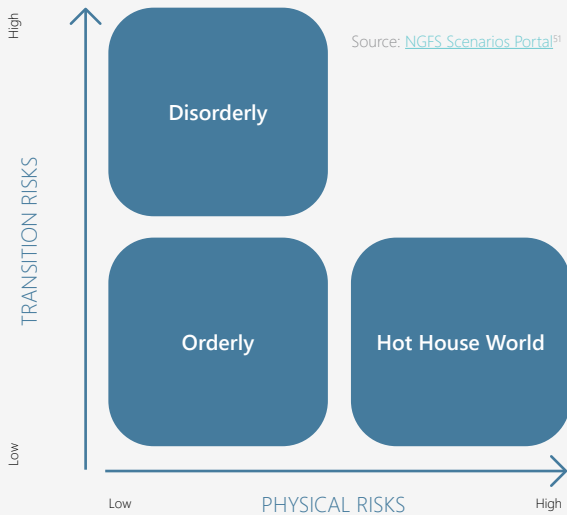
Methodological limitations due to the fact that **historical data are no longer representative of the current climate** for the analysis of possible future events.

05

Non-linearity of their effects.

To this end, in March 2024 the Board of Directors approved the update of the Corporate Sustainability/ESG Risk Management Policy⁵⁰. Due to its special characteristics, climate risk should be assessed using climate change scenarios considered over various time horizons. The Network for Greening the Financial System (NGFS) has defined climate scenarios that provide a common starting point for analysing climate risks for the financial system and the economy, which are the scenarios that the Bank has chosen.

In line with supervisory expectations, CaixaBank has considered the following NGFS climate scenarios in its materiality assessment:



Orderly transition:

This scenario implies early implementation of climate policies with increasing depth and scope to reach the 1.5°C target⁵². Physical and transitional risks are both relatively moderate.

Disorderly transition:

The disorderly transition scenario involves a significant increase in transition risks due to delays in climate policies or divergences between countries or sectors. This involves measures being adopted from 2030 or at a relatively late stage with respect to the schedules in current climate and environmental regulations. While this increases the transition risk, the physical risk remains relatively low, as the 1.5°C target is achieved.

Hot House World (high level of global warming):

This involves the application of very limited climate policies in just a few countries, areas or sectors, so that the global efforts are insufficient to avoid global warming, with resulting incremental and significant physical climate effects. The transition risk is limited in this scenario, but the physical risk is very high, with irreversible impacts.

Of the three scenarios identified, **CaixaBank has selected the orderly transition scenario** as the base scenario for the materiality assessment, as it is consistent with the commitments assumed by the Entity and is currently still the most likely in the European Union framework. In terms of physical effects, this scenario is equivalent to the SSP1-2.6 scenario⁵³ proposed by the Intergovernmental Panel on Climate Change (IPCC). However, consideration is also being given to the need to analyse the compatibility of the current assessment with the SSP2-4.5 scenario⁵⁴. To this end, new scientific developments are being closely monitored, pointing to rapid changes in the climate system that may rule out the 1.5°C scenario, as indicated in several reports⁵⁵.



⁵⁰ [Corporate sustainability/ESG risk management policy](#)

⁵¹ [NGFS Scenarios Portal](#)

⁵² Goal of limiting temperature increase in 2100 to 1.5°C above pre-industrial levels.

⁵³ [IPCC Low Emissions Scenario as defined in IPCC_AR6_WG1_SPM_Spanish.pdf](#)

⁵⁴ [IPCC Intermediate Emissions Scenario as defined in IPCC_AR6_WG1_SPM_Spanish.pdf](#)

⁵⁵ [Long-term low-emission development strategies - UNFCCC 11/2022](#)

Under the orderly transition scenario, the main long-term climate risk impacts are concentrated in the credit portfolios of legal entities, as shown in the heat map of the Climate Risk Analysis Matrix – Orderly Transition Scenario. The following risks have been considered within the analysis:

Credit risk:

This is the financial risk that may be most impacted by climate factors – particularly transition factors – in the short, medium and long term:

- **Transition risk:** the macro sectors with the greatest potential to be impacted in the medium and long term are the agriculture, electricity, oil and gas, transport, materials, and mining and metallurgy sectors. CaixaBank has identified the electricity, coal, and oil and gas sectors as the highest priority in terms of transition risk. Of the sectors with a medium impact, real estate stands out for its high relative exposure in the Bank. In the short term, the impact of transition risk is considered minor.

This sectoral vision top-down is complemented by a bottom-up vision, based on:

- The segments of activity in each macro sector (value chain).
- The term structure of finance.
- The characteristics and positioning of the main customers, the impact of which may vary considerably, depending on how they incorporate these risks into their strategic vision. More individualised analysis that takes these aspects into account is already being applied in risk approval processes. Likewise, for the mortgage portfolio, the energy performance certificate is included in the formalisation process.
- **Physical risk** According to IPCC forecasts, Spain will be one of the regions in Europe potentially most impacted by physical hazards from climate change. However, based on our analysis, the impact on CaixaBank's portfolio is expected to be moderate:
 - The impact on the mortgage portfolio is not considered material in the short and medium term, based on the geographical location of the assets. However, this assessment is complemented by more detailed analysis of the areas with the potential to be most affected, and of the legal entity portfolio (location of infrastructure and sector-specific characteristics such as energy/services, agriculture, oil and gas, and mining).

Market risk:

CaixaBank's market risk profile is low. The main objective of the trading portfolio is to manage the risk of customer transactions in the market, mainly derivatives with underlying market assets. The portfolio of bonds and equities is very small and has a very high turnover. Given the immaterial amounts, the Bank considers the impact of ESG risks on market risk to be low. The risk is also mitigated by the inclusion of the fixed income and equity portfolio in the Sustainability Risk Policy.

Operational risk:

The residual risk of damage to the Bank's physical assets or other impacts affecting continuity of service is considered low. Climate transition risk arising from the legal and conduct/compliance risk associated with investments and credit exposure to carbon-intensive businesses, as well as from the definition and marketing of sustainable products, may be higher in the medium term. This is due to increased regulatory expectations and market sensitivity in a context where the quality of information and methodologies is still emerging, and may also lead to current decisions being perceived significantly differently in the future.

All of this implies a very contained impact in the short term (low materiality), a somewhat higher impact in the medium term (medium-low materiality for transition risks and low for physical risks), and a higher impact in the long term. This is due to the increasing impact of possible extreme weather events (medium-low materiality of physical risks) and a scenario of:

- Increased regulatory requirements and expectations.
- External stakeholders and increasing marketing of products and services and issuance of sustainability-related bonds, with possible associated claims/lawsuits that would start to emerge (medium/long term).



Reputational risk:

Reputational risk mainly relates to stakeholder perceptions of CaixaBank's failure to make a significant contribution to the decarbonisation of the economy, or financing sectors or companies with major ESG controversies. Reputational risk is unique in that isolated events, such as a story in the media, can have a disproportionate impact. Therefore, in the short term, there is an inherent risk due to the sensitivity and relevance of these aspects, but the residual risk is considered not to be material due to the control environment in place. In the medium and long term, the risk increases due to the demands of transition processes, which imply a higher likelihood of poor stakeholder perception.

Liquidity risk:

The impact on short-term liquidity risk is not considered material because it is covered by normal short-term liquidity risk management arrangements. There may be some additional impact on the Bank's liabilities in the medium/long term (if companies or households are impacted by climate risks that affect their generation of cash flows and result in lower deposits with financial institutions). This is not currently considered material.

Business profitability risk:

CaixaBank's business environment and profitability may mainly be affected by transition risk (changes in policies, legislation and regulation relating to decarbonisation of the economy, changes in market sentiment, loss of market share to the detriment of environmentally sustainable financial products, etc.). CaixaBank is actively managing this risk through its strategic positioning under its Sustainable Banking Plan and by searching out business opportunities related to the transition. This management mitigates the risk and is therefore considered to be of medium-low materiality.

/ CLIMATE RISK ANALYSIS MATRIX - ORDERLY TRANSITION SCENARIO

		Transition risks			Physical risks			
		ST	MT	LT	ST	MT	LT	
Credit risk	CIB	●	●	●	●	●	●	
	Companies	●	●	●	●	●	●	
	Mortgages	●	●	●	●	●	●	
	Consumer	●	●	●	●	●	●	
Other risks	Market	●	●	●	●	●	●	● High risk
	Operational	●	●	●	●	●	●	● Medium-high risk
	Reputational	●	●	●	●	●	●	● Medium risk
	Liquidity	●	●	●	●	●	●	● Medium-low risk
	Business risk	●	●	●	●	●	●	● Low risk

ST short term (up to 4 years) MT medium term (4 to 10 years) LT long term (over 10 years)

The results of the risk analysis in the disorderly transition and Hot House World scenarios are shown below.

/ CLIMATE RISK ANALYSIS MATRIX – DISORDERLY TRANSITION SCENARIO

		Transition risks			Physical risks		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB	●	●	●	●	●	●
	Companies	●	●	●	●	●	●
	Mortgages	●	●	●	●	●	●
	Consumer	●	●	●	●	●	●
Other risks	Market	●	●	●	●	●	●
	Operational	●	●	●	●	●	●
	Reputational	●	●	●	●	●	●
	Liquidity	●	●	●	●	●	●
	Business risk	●	●	●	●	●	●

● Low risk ● Medium-low risk ● Medium risk ● Medium-high risk ● High risk

ST short term (up to 4 years) MT medium term (4 to 10 years) LT long term (over 10 years)

/ CLIMATE RISK ANALYSIS MATRIX - HOT HOUSE WORLD SCENARIO

		Transition risks			Physical risks		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB	●	●	●	●	●	●
	Companies	●	●	●	●	●	●
	Mortgages	●	●	●	●	●	●
	Consumer	●	●	●	●	●	●
Other risks	Market	●	●	●	●	●	●
	Operational	●	●	●	●	●	●
	Reputational	●	●	●	●	●	●
	Liquidity	●	●	●	●	●	●
	Business risk	●	●	●	●	●	●

● Low risk ● Medium-low risk ● Medium risk ● Medium-high risk ● High risk

ST short term (up to 4 years) MT medium term (4 to 10 years) LT long term (over 10 years)

Identification and assessment of other environmental risks not related to climate change (nature)

The analysis of non-climate change environmental risks has focused on impacts on nature (loss of biodiversity, water, deforestation, etc.). This analysis is considered of particular relevance due to its close link with climate change and the transition to a decarbonised economy.

For this analysis, a methodology has been used that is similar to that of climate risk analysis, in which a distinction is made between physical and transition risks, related respectively to the direct impact of damage to nature and the struggle to avoid it. Both types of risks have an impact on the main prudential risks.

Source: NGFS Occasional Paper, "Central banking and supervision in the biosphere: An agenda for action on biodiversity loss, financial risk and system stability. Final Report on the NGFS-INSPIRE Study Group on Biodiversity and Financial Stability."



Under these criteria, the main impacts of these other environmental risks are concentrated in the medium and long term in the legal entity portfolio, and in reputational risks.

Credit risk:

Nature can impact credit risk through 5 drivers: Changes in land use, use and exploitation of natural resources, climate change, pollution and invasive species.

Impact is potentially relevant in corporate and business credit

portfolios, affecting sectors dependent on natural capital (agriculture), primary sectors (food, construction, energy, transport) and those with the greatest negative impact on biodiversity (extractive and energy).

Market risk:

Market risk is not material due to the small size of CaixaBank's bond and equity portfolio.

Operational risk:

The risk of damage affecting continuity of service is considered low.

Reputational risk:

Reputational risk is considered material at all time horizons. The risk is linked to stakeholder perception that CaixaBank does not contribute to the mitigation of risks related to nature or to the financing of customers with relevant disputes, with the unique fact that isolated events may have a certain impact.

Liquidity risk:

Liquidity risk is not material in the short term. In the medium/long term it may have some additional impact on liabilities, but today it is also considered not a material risk.

Business profitability risk:

CaixaBank's business environment and profitability may be affected mainly by transition risk. Risk is actively managed through strategic positioning (Sustainable Banking Plan) and by searching out business opportunities related to the transition.

Following the assessment of these risks and given their lesser materiality, the phased roll-out of ESG risk management at CaixaBank has prioritised climate risks, as detailed in the Climate Risk Management section.

However, in 2024, progress has been made in the detailed analysis of impacts, dependencies and nature-related risks through the creation of heat maps. This process is described in more detail in the Nature Risk Management section.

/ ANALYSIS MATRIX FOR OTHER ENVIRONMENTAL RISKS: NATURE

		Transition risks			Physical risks		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB	●	●	●	●	●	●
	Companies	●	●	●	●	●	●
	Mortgages	●	●	●	●	●	●
	Consumer	●	●	●	●	●	●
Other risks	Market	●	●	●	●	●	●
	Operational	●	●	●	●	●	●
	Reputational	●	●	●	●	●	●
	Liquidity	●	●	●	●	●	●
	Business risk	●	●	●	●	●	●

ST short term (up to 4 years)
 MT medium term (4 to 10 years)
 LT long term (over 10 years)

● Low risk ● Medium-low risk ● Medium risk ● Medium-high risk ● High risk

Climate risk management

The phased deployment of ESG risk management at CaixaBank has prioritised climate risks, based on the assessment of the materiality of ESG risks and their relationship with traditional risks.

CaixaBank's climate risk management and analysis complies with best market practices, the regulatory framework, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Non-financial reporting Directive.

The supervisory expectations for risk management and communication contained in the November 2020 European Central Bank (ECB) Guidance on Climate-Related and Environmental Risks are particularly relevant, with action plans to ensure alignment of processes with all supervisory expectations until the end of 2024.

Measurement framework

Qualitative scenario analysis and climate stress exercises

Corporate Banking portfolio

CaixaBank also performs scenario analysis for climate risks at the qualitative level in the form of heatmaps.

The qualitative analysis for transition risk focused initially on identifying the segments potentially most affected by such risk in the sectors with material risks in the portfolio. In particular, the analysis to date has been carried out for the most emission-intensive sectors: oil and gas, electricity, automotive, aviation, shipbuilding, residential real estate, commercial real estate, cement, iron and steel, aluminium and agriculture, identifying the greatest impacts by analysing the main risk variables and establishing heat maps for different time horizons (2025, 2030, 2040 and 2050) for transition scenarios compatible with the Bank's decarbonisation commitments (scenarios of 1.5°C in geographies committed to zero net emissions in 2050). The heatmaps for these sectors incorporate an analysis broken down by activity at the CNAE level within the value chain of each sector.

Regarding the assessment of the physical risks derived from climate change, and given that Spain is one of the regions in Europe potentially most impacted by the physical risks of climate change, a qualitative analysis has been carried out on both the mortgage guarantee portfolio and the legal entity portfolio according to the economic activity of the customers. The impact is considered to be of low materiality on the mortgage portfolio, as the mortgage collateral is mainly located in low-risk areas (urban environment). With regard to climate events' impact on companies' financial statements, the probability of which depends on the location of production sites and the nature of the activity, the sectors most affected are agriculture (droughts), construction (heat waves)

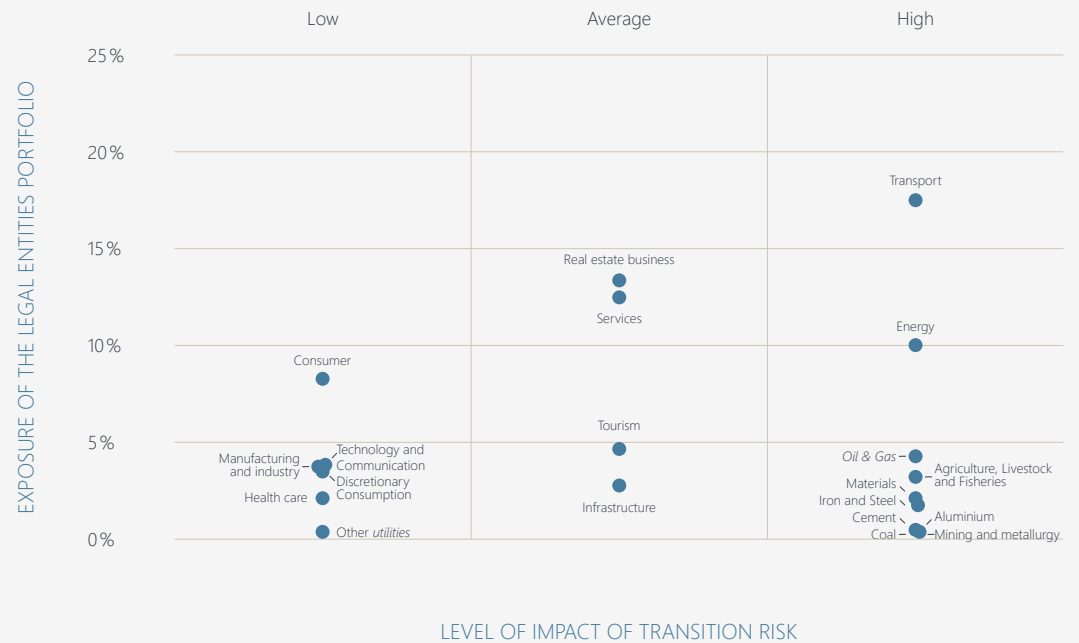
and transport (coastal flooding). Among the sectors with the greatest exposure at CaixaBank, construction is the one most affected by physical risks. The quantitative analysis performed on these portfolios confirmed the conclusions of the qualitative analysis.

Simultaneously, extreme operational risk scenarios have been defined, related to both physical risks, assessing the potential damage of certain meteorological events to tangible assets, and transitional risks, through potential sanctions for non-compliance with sustainability disclosure regulations, both resulting in a limited impact.

Sector	Risk	Sector	Risk
Oil and gas	●	Materials	●
Electricity sector	●	Health care	●
Transport	●	Technology and communication	●
Real estate business	●	Tourism	●
Iron and steel	●	Infrastructure and manufacturing	●
Aluminium	●	Services	●
Cement	●	Other utilities	●
Farming, livestock, fishing	●	Consumer	●
Coal	●	Consumer discretionary	●
Infrastructure	●	Financials	N/A
Mining and metallurgy	●		

● Low risk ● Medium risk ● High risk

/ MAP OF THE DIFFERENT SECTORS IN THE PORTFOLIO BY VOLUME AND IMPACT



Mortgage portfolio

As regards the mortgage portfolio, in order to ascertain its exposure to transition risks, CaixaBank monitors the progress of the energy performance certificates (EPC) of the homes financed. The risk exposure to these assets that CaixaBank receives as collateral comes from:

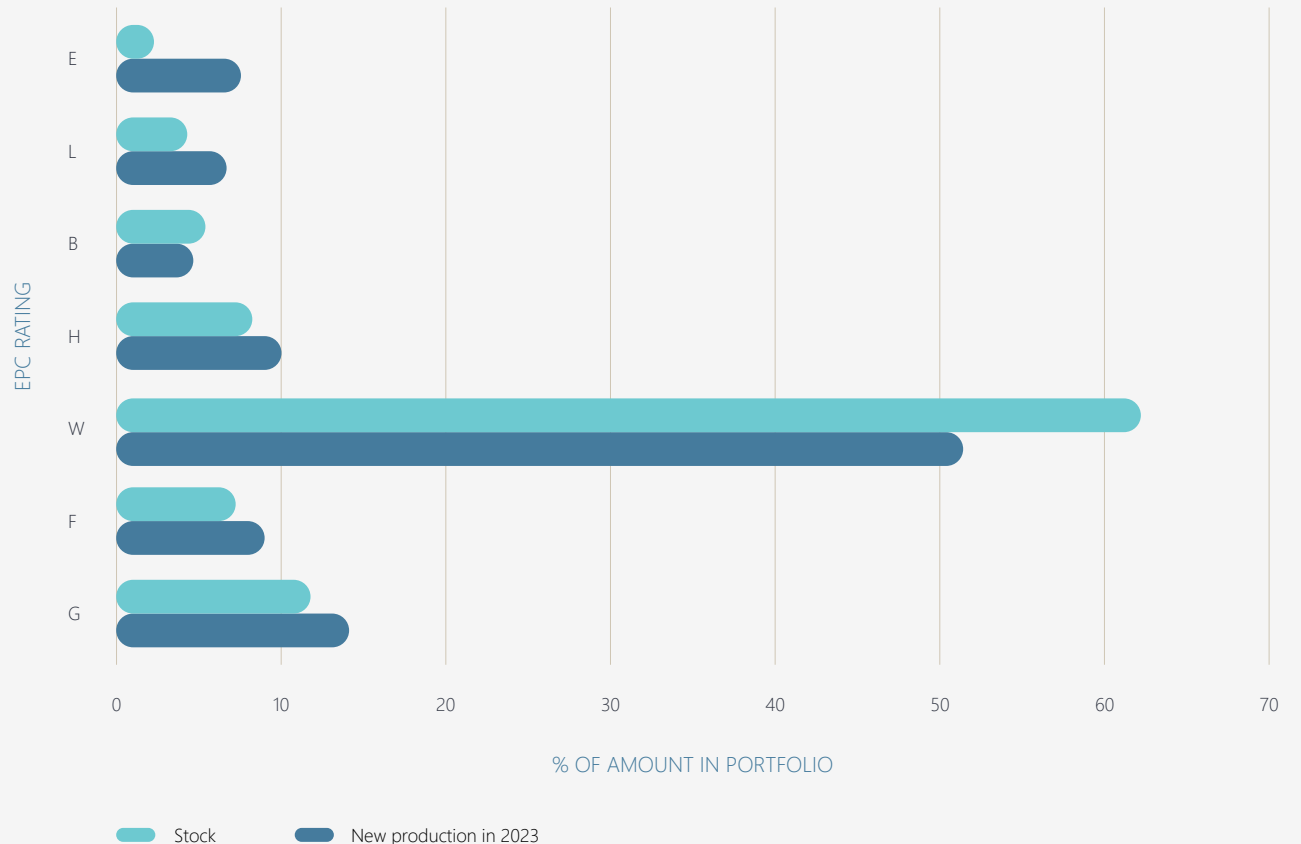
- Regulatory changes: The Energy Performance of Buildings Directive (EPBD) of 2010, updated in 2018 and more recently in 2024, includes the requirement to achieve minimum energy efficiency levels within specific deadlines. Among other obligations, EU member states will have to ensure that all new construction from 2030 onwards is CO₂ neutral and that all houses with an EPC of "G" achieve an "F" rating by 2030 and an "E" rating by 2033.
- Market changes: a relatively higher preference for energy-efficient properties (due to their lower exposure to regulatory changes and the appeal of reduced energy costs) may negatively impact the prices of homes with lower energy ratings.

To manage exposure to these risks, since 2021 CaixaBank has been monitoring the energy efficiency of its mortgage portfolio using the actual EPCs of those contracts for which they are available or estimating the energy rating using proxies (more details in the section First Half of 2024).

2023

The granting of mortgage loans in 2023 has improved the energy efficiency of CaixaBank's mortgage portfolio as a whole, as it has financed a higher percentage of housing units with A and B ratings compared to the existing stock:

/ COMPARISON BETWEEN STOCK AND NEW PRODUCTION IN 2023 BASED ON THE ENERGY RATING



In the coming years, CaixaBank's mortgage portfolio should increasingly include housing units with more efficient EPCs. The inertia of the portfolio is to improve its energy efficiency as the older portfolio, usually with lower energy ratings, expires and the current housing units are renovated, as well as financing new construction with A and B qualifications.

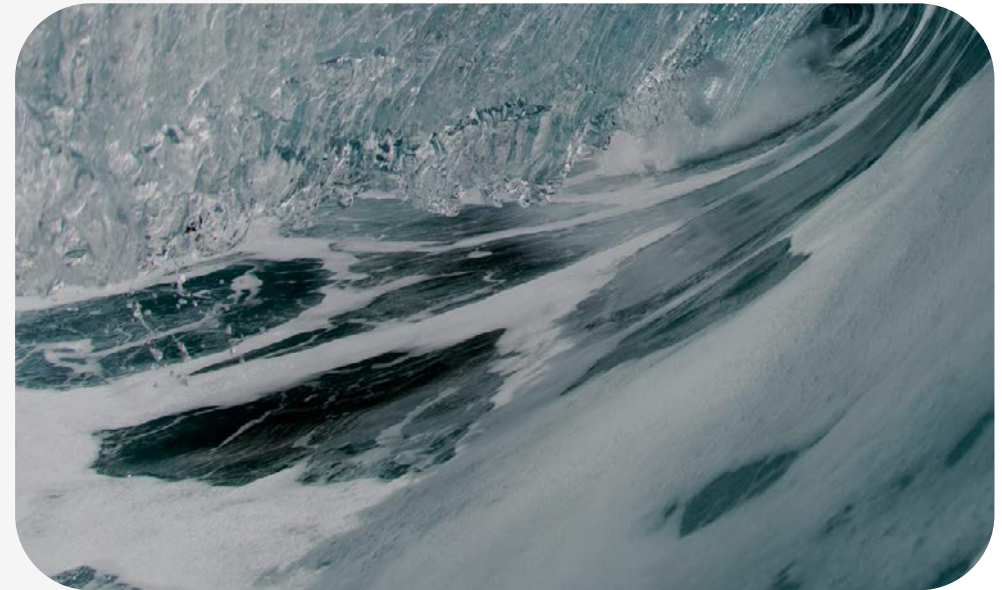
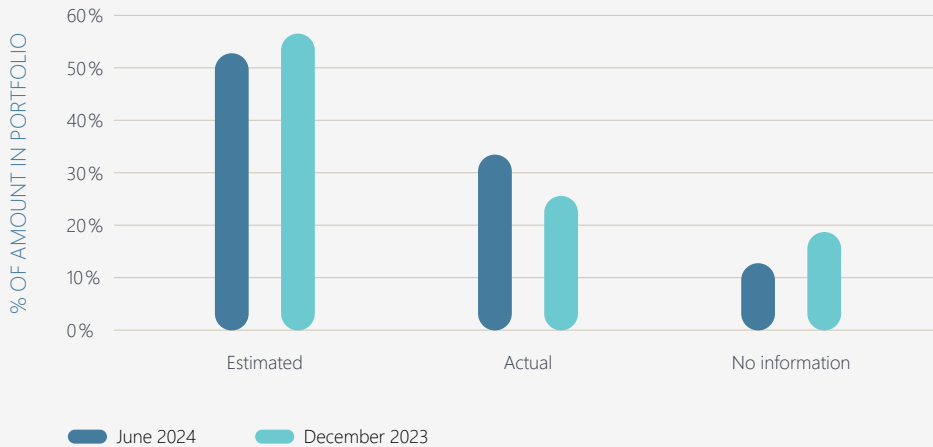
Between the end of 2023 and the beginning of 2024, CaixaBank participated in the one-off analysis exercise for the Fit-for-55 climate risk scenario conducted by the EBA. The objective of the exercise was to assess the resilience of the European Union (EU) banking system to the potential impact of climate risks, in line with the European Commission's mandate under its Renewed Sustainable Finance Strategy. The results of this analysis are expected in 2025.

Development of a quantitative measurement and monitoring framework

As of 2023, CaixaBank has a quantitative framework for measuring climate risks. During the first half of 2024, CaixaBank made progress in the sophistication of its risk measurement and projection framework, as part of the ongoing performance of its models. This framework enables the projection and monitoring of climate risk impacts on credit risk, with the aim of strengthening the comprehensive climate risk assessment process. This initiative is part of the materiality assessment and ensures robust consistency in risk management.

This measurement framework incorporates the impacts of major physical hazards, including wildfires, river and coastal floods, droughts and heat waves and takes into account the impact of the likelihood and severity of these events on the values of mortgage collateral and on customers' economic activity. Moreover, it captures the impacts of transition risk on the credit quality of companies considering carbon emissions, prices, decarbonisation paths and the investments needed for the transition, as well as the impact that production cost increases have on business volumes and margins. Finally, the framework allows the impact of the transition on mortgage guarantees to be quantified, assuming that less energy efficient properties will be less attractive in the future.

/ DISTRIBUTION BY TYPE OF CERTIFICATE



Climate change related risks are inherently uncertain. They will depend, among other factors, on the policies that are adopted globally. They are also characterised by a long-term time horizon. Moreover, they cannot be modelled solely on the basis of historical experience and will therefore be based on forward-looking tools. In this context, the measurement framework includes various scenarios and long time horizons.

Specifically, models have been developed that provide projected long-term probabilities of default (PD) and severities (LGD) in the long term (2050) and under three scenarios (orderly transition, disorderly transition and hot house world).

This measurement framework is the basis for integrating climate risk into both the economic capital requirements and the severely adverse scenario for ICAAP. This methodology has also made it possible to quantify the exposure potentially affected by climate risk with an impact on liquidity risk, the latter within the scope of the ILAAP exercise. In this regard, the annual Internal Capital

Adequacy Assessment Process (ICAAP) was presented in the first half of 2024, with December 2023 as the reference date, including for the first time the estimation of economic capital requirements for climate risk.

Simultaneously, in 2023, extreme operational risk scenarios have been defined, related to both physical risks, assessing the potential damage of certain meteorological events to tangible assets, and transitional risks, through potential sanctions for non-compliance with sustainability disclosure regulations, both resulting in a limited impact.



Models have been developed that provide **projected long-term probabilities of default (PD) and severities (LGD) in the long term (2050) and under three scenarios (disorderly transition, decarbonisation and hot house world).**

Source of data used in the measurement

CaixaBank is currently using different data sources to measure climate and environmental risks:

Customer data:

- Internal by counterparty. customer information is collected as part of the approval process, through a questionnaire mainly covering the carbon footprint, ESG information relating to sectoral and general exclusions, climate transition plans, impact assessments and associated mitigation plans.
- Internal, mainly by physical assets: 1) Project finance, asset finance and corporate projects where there is environmental due diligence to assess the environmental impact of the project and 2) the new mortgage business where energy performance certificates (EPC) are obtained.
- Public: reports published by customers and available information related to potential environmental claims are analysed.

Data from external providers:

- ESG rating agencies.
- Provided by public agencies/research institutes such as UNEP FI (United Nations Environment Programme Finance Initiative), IPCC (Intergovernmental Panel on Climate Change), AIE (International Energy Agency), PIK (Potsdam Institute for Climate Impact Research) and INE (National Statistical Institute).
- NGFS (Network for Greening the Financial System)
- PCAF (Partnership for Carbon Accounting Financials).
- The European Union's Earth Observation Programme, Copernicus.



Management

Climate risk metrics

CaixaBank has identified data availability as one of the main areas of work to strengthen sustainability risk analysis. A comprehensive sustainability data model project is being developed as part of the Sustainability Banking Plan. It is a cross-cutting project and focuses on sustainability data needs at the corporate level. Requirements have been developed with the aim of achieving an environment of strategic reporting and data management bolstered by the system. In addition to system improvements within the scope of the data model, other initiatives have been undertaken to obtain data in bulk from external databases/suppliers, e.g. obtaining the energy performance certificate (EPC) for the real estate portfolio stock, including the use of proxies for cases where EPCs do not exist or are not available.

Since 2022, metrics related to climate risk are monitored and a metric aimed at monitoring the portfolio's concentration in carbon-intensive sectors of the corporate segment has been incorporated into the RAF⁵⁶, without prejudice to other key indicators that are monitored internally as a complement to the RAF.

In addition to the monitoring of financed emissions (see GHG emissions section of the financing and investment portfolio - Financial Year 2023), decarbonisation metrics (see NZBA decarbonisation targets and transition plans section) and sustainable mobilisation, the Bank monitors climate risk-related metrics on a semi-annual basis (see IRP⁵⁷):

- Exposures subject to transition risk by intensive sector
- Energy efficiency of the mortgage portfolio
- Exposure to top 20 carbon-intensive companies
- Exposure subject to physical risk
- Other climate change mitigation actions that are not covered in the EU taxonomy

⁵⁶ This is a comprehensive and forward-looking tool of a structural nature, with which the Board of Directors determines the risk typology and thresholds (risk appetite) it is willing to accept in order to achieve the Group's strategic objectives. These objectives are formalised through the qualitative statements in relation to risk appetite, expressed by the Board of Directors, and the metrics and thresholds that allow the monitoring of the activity's performance for the different risks in the corporate catalogue.

⁵⁷ [Information of Prudential Relevance Half-Yearly 2024](#)

Corporate sustainability/ESG risk management policy

In relation to sustainability risk management, including climate risk, CaixaBank has a Corporate Sustainability/ESG Risk Management Policy⁵⁸ which is updated annually.

This policy regulates the management of ESG risks, including climate risk, and sets out the following lines of action:

01 Define and manage an **internal ESG risk management plan** in line with the Group strategy.

02 Define and manage implementation of a framework of **admission, monitoring and mitigation policies** to maintain a risk profile in line with this strategy.

03 Develop the **analysis tools for ESG risks** needed for decision-making in customer and risk approval processes, for both corporate and project formats.

04 **Monitor** actions and operations with a potential significant impact on ESG risks.

05 Incentivise **practices to mitigate** ESG risks in portfolios within the scope of application of this Policy, and other types of actions (such as issuance of green and social bonds).

06 Promote the implementation of **systems to identify, score and measure exposure to ESG risks**, in accordance with developments in the regulatory framework, social sensitivity to these risks and best practices in the market.

07 Assign **roles linked to ESG risk management** in the current organisational structure, with the necessary segregation of functions to maintain independence between the areas responsible for the processes of defining strategy, analysis and approval of operations, and the monitoring and control of these risks.

08 Establish a **system of powers for the admission of ESG risks** that enables incorporation in an agile but robust manner into ordinary decision-making processes, in accordance with the scope of this document.

⁵⁸ [Principles for action in the Sustainability/ESG Risk Management Policy](#)

Also, general exclusions are established that apply to all customers, while sectoral exclusions apply to certain activities in the defence, energy, mining, infrastructure and agriculture, fishery, livestock and forestry sectors.

The following restrictions on finance are significant in the energy sector.

Oil

- Companies with >50% of revenue from exploration, extraction, transportation, refining, cokeries and power generation from oil, unless they are promoting the energy transition through a robust transition strategy or their operations are geared towards financing renewable energies.
- Medium-term lending requested by new or existing customers for exploration, extraction, transportation, refining, cokeries or oil-fired electricity generation.

Gas

- Companies with >50% of revenue from exploration, extraction/production, liquefaction, transportation, regasification, storage and electricity generation from natural gas, unless they are promoting the energy transition through a robust transition strategy or their operations are geared towards financing renewable energies.
- Long-term lending requested by new or existing customers for exploration, production, liquefaction, transport, regasification, storage or generation of electricity from natural gas.

Additionally, for the coal sector, the phase-out of coal by 2030⁵⁹ was approved. Furthermore, CaixaBank will not assume credit risk in new projects related to the exploration, production, or transportation of oil and gas in the Arctic region; exploration, production, processing, or transportation of oil sands; exploration and production of oil and gas in deepwater; exploration and production of shale oil and gas; extraction through fracking; construction, development, or expansion of coal-fired power plants, nuclear plants, or uranium enrichment facilities among others⁶⁰.

The scope of this Policy includes: (i) companies with which a business relationship, new transactions, renewals and renegotiations of credit and guarantees are being considered; (ii) in which investments are made for own account in fixed and variable income securities; (iii) Group companies managed through the equity portfolio.

ESG risk assessment in the process of client acceptance and approval of financing transactions

The risk analysis is integrated into both the customer onboarding process (ESG onboarding) and in the financing approval and admission process.

CaixaBank regularly analyses its portfolio of customers with higher inherent ESG risk in order to comply with its ESG risk management commitments and, in particular, the exclusions set out in the policy relating to the defence sector, high environmental risk and human rights (including employee health and safety). That is, holistic due diligence analyses of clients with an ESG vision are being carried out. Thus, in 2023, CaixaBank began a process of prioritising the customers in its portfolio, starting with those linked to the defence and security sector and/or with tax domicile in high-risk countries from a sustainability perspective and/or customers with activities that generate high environmental risk.

The analyses carried out on both clients and operations aim to ensure not only compliance with the aspects strictly defined in the policy, but also others related to the company's control environment in the ESG field, the existence or not of environmental and social controversies, its decarbonisation strategy, as well as compliance with the Equator Principles, where applicable. As a result of these ESG risk assessments, CaixaBank issues sanctions that may be decisive for the admission of customers and also for the granting of customer financing or project finance transactions. In addition, recurrent training sessions are held for risk admission centres and business centres in order to provide information on the circuits and controls implemented in the admission and funding application process.

ESG dispute management circuit

In 2023 CaixaBank approved a new circuit for intra-CaixaBank Group coordination in relation to severe ESG controversies linked to companies with which the Group has or seeks to have a position and which could potentially entail a violation of the Corporate Sustainability Risk Management Policy or other responsible policies.

To this end, a delegated Working Group of the Sustainability Committee has been set up to analyse and give an opinion on the seriousness of the potential dispute. Alerts on potential disputes may come from external or internal sources.

This Working Group analyses any alert corresponding to issuers with which CaixaBank has an active position; has a contractual relationship; is a customer or is in the process of being studied and/or is in the active positions of customers with advised portfolios. Following this analysis, the Working Group decides or submits for decision to the Sustainability Committee (or Management Committee) the seriousness of the controversy and proposes response strategies for each of the Units of the Group with a position in the company related to the dispute.

⁵⁹ CaixaBank will not finance thermal coal-related companies (customers whose revenues from thermal coal mining and/or thermal coal-based power generation account for more than 5% of their total revenues), reducing their exposure to zero until 2030. CaixaBank continues to finance the energy transition to a low-carbon economy and support customers with an exit strategy from thermal coal until 2030.

⁶⁰ [Principles for action in the Corporate Sustainability/ESG Risk Management Policy](#)

Equator Principles

The Equator Principles were established to identify, assess and manage potential environmental and social risks, including those related to human rights, climate change and biodiversity.

Scope

- Project Finance Advisory Services, where the total capital costs of the project are USD 10 million or more.
- Project Finance, with total project capital costs of USD 10 million or more.
- Project-Related Corporate Lending, where the following three criteria are met:
 - i. Most of the loan is related to a project over which the customer has Effective Operational Control (either directly or indirectly)
 - ii. The total loan amount and the individual commitment of the EPFI (before syndication or sale) is at least USD 50 million.
- III. The loan term is at least two years.
- Short-term loans with a term of less than two years that are intended to be refinanced by Project Finance or a Project Related Corporate Loan that is expected to meet the relevant criteria described in 2 and 3 above.
- Project Related Refinancing and Project Related Acquisition Financing, where the following three criteria are met:
 - i. The underlying Project was financed in accordance with the Equator Principles framework.
 - ii. There have been no material changes in the scale or scope of the Project.
 - III. The physical completion of the project has not yet taken place at the time of the signature of the Credit Agreement.

This procedure shall not apply in the following cases:

- Refinancing of transactions subject to Equator Principles if there is no expansion of the project. However, for refinancings, the monitoring targets that have been determined in the original transaction will be maintained. For project extensions the normal procedure shall apply.
- Loans to local, regional or national governments, ministries and government agencies.
- Export financing in the form of supplier credit and other instruments that do not finance an underlying project (asset finance, acquisition finance, hedging, leasing, letters of credit, loans for general business needs or operating expenses).

Scope of application

- Projects entailing potentially significant and irreversible risks or impacts for which no viable action plan can be envisaged, or that conflict with corporate values, are rejected.
- In other instances, an independent expert is appointed to evaluate each borrower's social and environmental management plan and system. Projects are classified into categories A, B and C depending on the potential risks and impacts detected during the due diligence process, which involves teams from the sales and risk areas, and independent external experts.

In 2023, CaixaBank financed 10 projects with total investment of €7,949 million, with its share being €841 million. The assessment for the classification of the projects was performed with an independent expert.

The operations financed are shown in the following table.

	2023		2022	
	Units	€ million	Units	€ million
Category A ⁶¹	3	346	1	536
Category B ⁶²	3	225	2	439
Category C ⁶³	4	270	4	311
Total	10	841	7	1.286

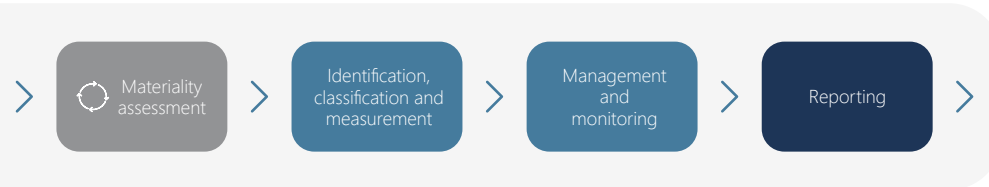
⁶¹ Projects with potentially material environmental/social impacts.

⁶² Projects with limited and easily mitigated potential ESG impact.

⁶³ Projects with minimal or no adverse social or environmental impacts, including certain financial intermediary projects with minimal or no risk.

Nature-related risk management

The update of the ESG risk materiality assessment from the previous year determined that the materiality of nature-related risks for CaixaBank was increasing. In line with the structure established in the risk management practice shown below, the phased roll-out of risk management began in 2024.

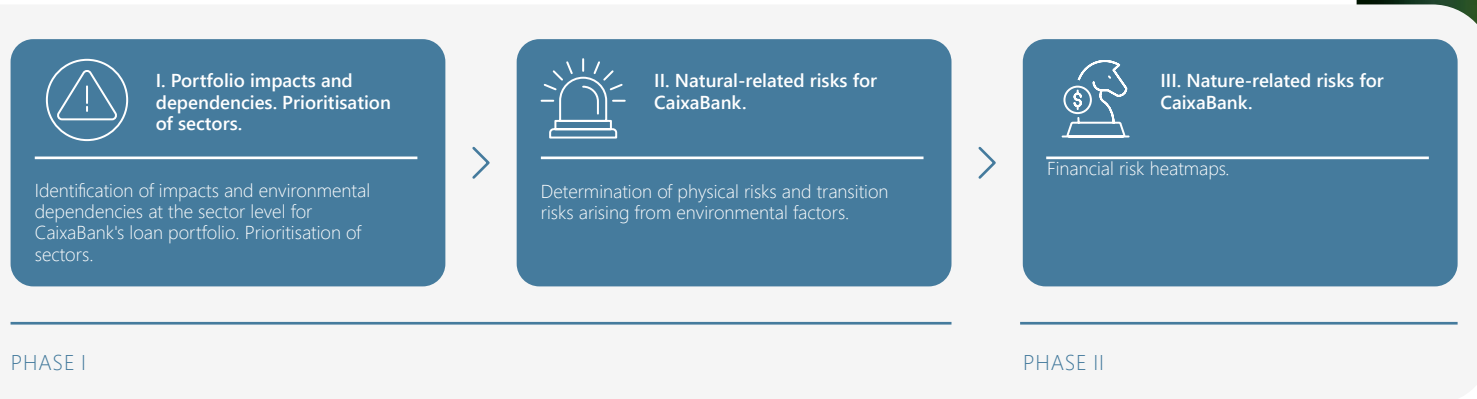


Based on the current state of methodologies for the identification and measurement of nature-related risk, the management of these risks still has significant limitations at the present time and is expected to continue to progress in the coming years. However, as indicated in the Statement on Nature⁶⁴ and in its roadmap, CaixaBank is aware of the need to start making progress in these areas as a first step towards efficient management of this risk.

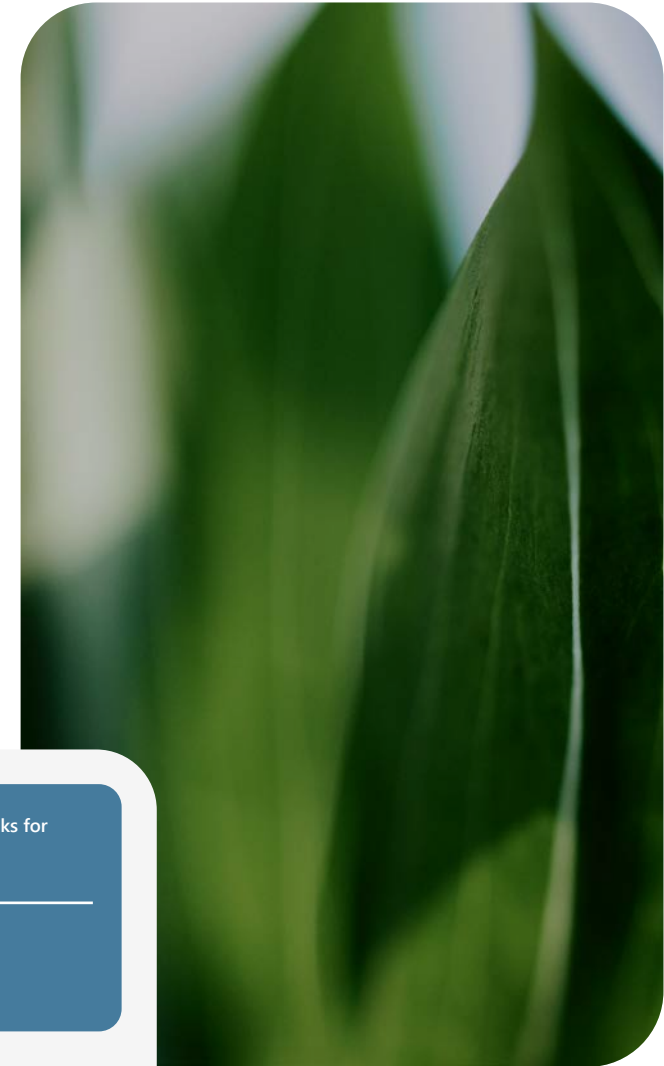
Identification, classification and measurement

Qualitative analysis: assessment of impacts, dependencies and risks

In 2024, a deep-dive exercise into the credit portfolio for the corporate portfolio was initiated, which will be rolled out in phases, as shown in the following infographic:



⁶⁴ [Statement on Nature](#)



The first phase has been developed in 2 steps:

1. Determination of portfolio impacts and dependencies

Using the tools Global Biodiversity Score (GBS)⁶⁵ and CaixaBank's credit exposure, the static and dynamic dependencies and impacts of the companies in CaixaBank's corporate portfolio were determined. Taking into account the following impact and dependency severity matrix, the Bank has prioritised the sectors for its nature-related risk analyses.

/ IMPACT SEVERITY AND DEPENDENCY SCREENING MATRIX

		Dependencies				
		VL	L	M	H	VH
Impact Intensity	VL	Very Low	Low	Moderate	High	Very High
	L	Low	Moderate	High	Very High	Very High
	M	Moderate	High	Very High	Very High	Very High
	H	High	Very High	Very High	Very High	Very High
	VH	Very High	Very High	Very High	Very High	Very High

■ VL = Very Low
 ■ L = Low
 ■ M = Moderate
 ■ H = High
 ■ VH = Very High

2. Determination of physical risks and transition risks arising from environmental factors.

Once the impacts and dependencies of the prioritised sectors had been identified, various tools from WWF⁶⁶ were used to generate heatmaps of physical and transition risks for each of the prioritised sectors. These heatmaps identify:

- **Physical and transition risks to biodiversity.** Transition risks are determined with a focus on customer reputational risk due to biodiversity impacts, while physical risks are mainly estimated from dependencies.
- **The physical and transition risks of water.** For water, the focus of transition risks is on both reputational risks and regulatory risks. Regarding physical risks, they are also estimated mainly from the dependencies of the customers in each sector.

The final phase of this analysis consists of determining the impact of nature-related risks on CaixaBank's financial risks. The current state of methodologies is still very much in its infancy, so this phase II will be addressed in future exercises.



⁶⁵ GBS encompasses the ENCORE tool and databases such as GLOBIO and EXIOBASE.

⁶⁶ WWF Biodiversity filter and WWF water filter.

Management and monitoring

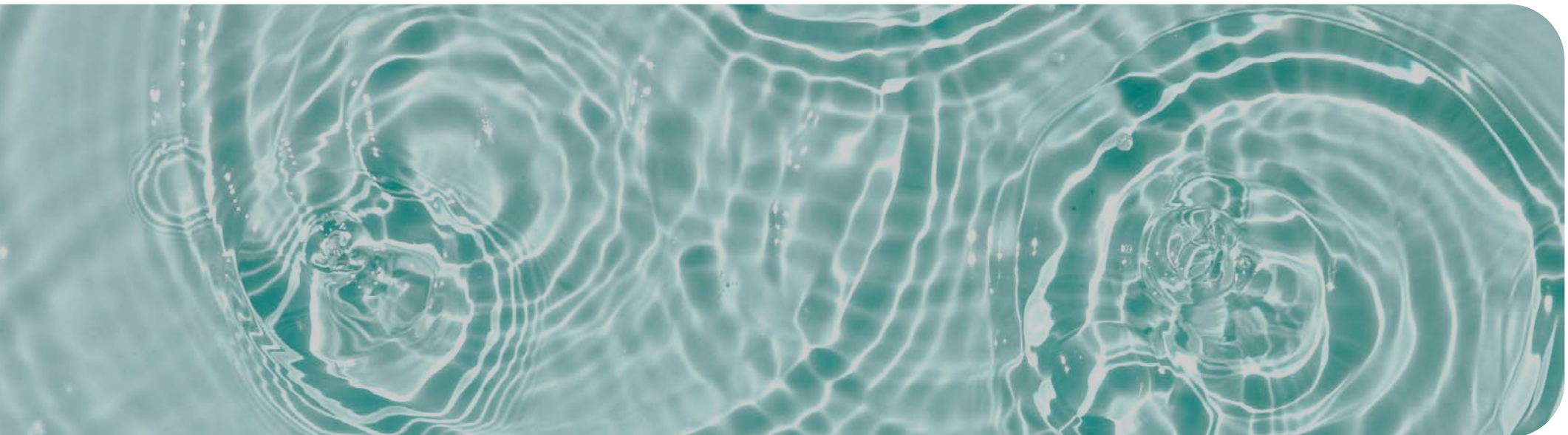
Despite the fact that their management has not been prioritised over climate risks and their measurement is in its early stages, nature-related risks are being actively managed. For financial institutions, **the main impacts, risks and opportunities related to nature come mainly from their value chain**. It is worth noting that their identification, assessment, and management in the financial sector is a complex and evolving area, as there are no standardised and robust measurement methods, nor tools with disaggregated and comparable quantitative data. CaixaBank therefore considers it necessary to work collaboratively with other actors and economic agents to make joint progress through the following levers:

- **Incorporation into risk approval processes through application of the Corporate Sustainability/ESG Risk Management Policy.** The environmental risks covered by CaixaBank's Corporate Sustainability/ESG Risk Management Policy include natural heritage and biodiversity. CaixaBank AM recognises that the economic activities of its customers may have substantial impact on areas of high biodiversity value, sensitive ecosystems, areas susceptible to water stress, or national and internationally protected areas. The Bank therefore includes this consideration in its sustainability risk management, with the aim of minimising the impact of its portfolio on the natural environment. More details on the Policy are included in the following section.
- **Application of the Equator Principles** to specific operations, with potential environmental and social risks, including those related to human rights, climate change and biodiversity.
- **Management and outreach regarding climate risks and opportunities:** CaixaBank aims to align disclosure on risks and opportunities related to nature with the recommendations of the **Taskforce on Nature-related Financial Disclosure (TNFD)**.
- **Sustainable Development Goal (SDG) financing framework for the issuance of green bonds**, including the 8 issues from 2020 to June 2024, which promotes the financing of operations that contribute to the achievement of the SDGs on clean water and sanitation (SDG 6), renewable energy (SDG 7), infrastructure (SDG 9), sustainable cities (SDG 11), responsible production and consumption (SDG 12) and life of terrestrial ecosystems (SDG 15).



08

Metrics and targets



METRICS AND TARGETS

Mobilisation of sustainable finance

The third strategic line of the 2022-2024 Strategic Plan has the aim of consolidating CaixaBank as a **leader in sustainability in Europe**, and one of the initiatives to achieve this is to promote and offer sustainable solutions in financing and investments. In this sense, CaixaBank has set itself the objective of mobilising €64,000 million⁶⁷ of sustainable production in Spain over the period 2022-2024. At the end of June 2024, this target had been exceeded, reaching €67,157 million, broken down into €57,294 million in sustainable financing and €9,863 million in sustainable intermediation.

SP 2024-2025 TARGET



REAL CUMULATIVE



€64,000 M

SP Target 2022-2024

€67,157 M

Mobilised since Jan-2022 €50,830 million as at Dec-2023

€57,294 M

Sustainable financing €45,729 million as at Dec-2023

€9,863 M

Sustainable intermediation €5,084 million as at Dec-2023

Sustainable financing

CaixaBank is committed to sustainability through the design and marketing of products that integrate ESG criteria and promotes activities that contribute to the transition towards a low-carbon and environmentally sustainable economy.

CaixaBank is widely recognised for its leadership in sustainable finance. Guide for Identifying Sustainable Financing⁶⁸ which aims to define the criteria for considering CaixaBank's financing arrangements for individuals and companies as sustainable, as well as their contribution to the SDGs.

CaixaBank has teams specialising in the corporate, institutional and international banking segments for infrastructure, energy and sustainable financing projects, both structured and transactional, as well as in the real estate, agriculture, business banking and private banking businesses.

Sustainable financing arrangements have their origins in the business units. The process starts by checking whether the purpose of the financing requested by the client meets the sustainability criteria according to the Guidelines.

(€ MILLION)	2023	1 ST HALF 2024
Green	9,330	3,735
Social	3,085	3,790
Sustainability-linked	12,681	4,040
Retail	1,749	1,277
Corporate	4,123 ⁶⁹	1,732 ⁷⁰
CIB & IB	19,224	8,556
Total	25,096	11,565

⁶⁷ The amount of sustainable finance mobilised includes: i) Sustainable mortgage financing ("A" or "B" energy performance certificate), financing for the energy rehabilitation of housing, financing of hybrid/electric vehicles, financing of solar panels, agricultural eco-financing and microcredits granted by MicroBank; sustainable financing for companies, property developers and CIB&IB. The amount employed for the purpose of mobilising sustainable financing is the risk limit formalised as part of sustainable financing transactions for customers including long-term, working capital and signature risk. Also considered are renewal transactions and the tacit or explicit renewal of sustainable financing; ii) CaixaBank's proportional share in the issue and placement of sustainable bonds (green, social or mixed) by customers; iii) Net increase in Assets under management at CaixaBank Asset Management as regards products classified under Articles 8 and 9 of the SFDR regulations (includes new funds/merger of funds registered as per Articles 8 and 9, plus net contributions – contributions less withdrawals – including the market effect on the valuation of units); and iv) Gross increase in assets under management at VidaCaixa in relation to products classified under Articles 8 and 9 of the SFDR (includes gross contributions – without considering withdrawals or market effect – to Pension Funds (FFPP), Voluntary Social Welfare Schemes (EPSV) and Unit Linked classified as per Articles 8 and 9 under SFDR.

⁶⁸ [Sustainable Finance Identification Guide](#)

⁶⁹ Development activity contributed €1,464 M

⁷⁰ Development activity contributed €726 M

In the first half of 2024, CaixaBank received an award for its **commitment to sustainable financing at the corporate level**.

Green financing

Green financing is funding that has a positive environmental impact and is underpinned by eligible projects or assets, including, but not limited to: renewable energies, energy efficiency, sustainable transport, waste treatment and sustainable building. Green financing modalities include loans that comply with the Green Loan Principles (GLP) issued by the Loan Market Association (LMA), the so-called "Green Loans".

Throughout 2023, CaixaBank promoted green finance in different areas of its business.

In the area of **CIB**, innovative operations stand out, such as the financing of Acciona Energía, one of the most important green operations of the year in the Spanish market, both in terms of the amount and the innovative sustainability structure put in place. Also noteworthy are transactional banking operations such as financing of working capital and trade finance lines for companies in the energy sector, such as those of Greenergy and SolarPack and in the waste management sector, that of Ecoembes.

In the area of Business Banking, noteworthy operations include the financing of renewable energy or cogeneration assets such as that of Estel Ingeniería y Obras or the photovoltaic assets of the Alter Enersun Group. Another highlight of the year was the financing for the construction of an energy-efficient hotel for Princess Hotels.

Throughout the first half of 2024, CaixaBank continued to promote green finance in various areas of its business. In the area of **CIB**, long-term operations such as the financing of Sonnedix, aimed at financing renewable energy projects in Italy, stand out. On the transaction banking side, in the first half of the year, the green and

social finance of Trade Finance was boosted through multilateral guarantees for operations whose purpose is included in the green&social programmes, eligible for sustainability rating. In the Corporate area, the financing operations for renewable energy assets stand out, such as the financing granted to Jorge Energy or Power Electronics. Also noteworthy in the first half of 2024 was the financing granted to improve energy efficiency, such as the operations with the Hotel Villamagna and Gestilar Valdebebas.

GREEN FINANCING

(€ MILLION)	2023		1 ST HALF 2024	
Renewable energies⁷¹	4,790	51%	1,451	39%
Real estate business	3,149	34%	1,525	41%
Infrastructure	182	2%	0	0%
Transport	460	5%	679	18%
Other	32	0%	80	2%
Circular economy	717	8%	0	0%
Total	9,330		3,735	

Renewable energies

As part of its commitment to the fight against climate change, CaixaBank supports environmentally-friendly initiatives that contribute to preventing and mitigating climate change and the transition to a low-carbon economy, mainly through the financing of renewable energy projects.

(in Billion Euros)	2023
Project finance	1,196
Corporate loans	3,278
Financing photovoltaic panels	46
Other	270
Total	4,790

Renewable energy exposure represents 86% of the project finance energy projects portfolio.

In addition to transactions related to renewable energy, the Entity has also granted targeted corporate financing for investment in renewable energies.

Real estate business

The Bank considers in this category environmentally sustainable transactions for which it has documentary evidence in the form of an energy performance certificate with an A or B rating. CaixaBank captures this information and documentation relating to the energy certificate when the operations are formalised.

(€ MILLION)		2023
Green mortgages		832
Financing of energy efficient buildings	Developments arranged and expected to be rated A or B	1,087
	Financing Real Estate commercial	1,230
Total		3,149

⁷¹ Includes renewable energy financing operations – Project Finance and others.

Impact of green finance⁷²

/ IMPACT OF FINANCING ON RENEWABLE ENERGIES

14,475 GWh/year

Green energy generation financed by CaixaBank

2,975,452 tCO₂e/year

GHG emissions avoided by CaixaBank financing

/ IMPACT OF FINANCING CLEAN AND EFFICIENT TRANSPORT

247,386 tCO₂e/year

GHG emissions avoided by CaixaBank financing

/ IMPACT OF FINANCING ON ENERGY-EFFICIENT BUILDINGS

188 GWh/year

Energy consumption avoided by CaixaBank financing

54,141 tCO₂e/year

GHG emissions avoided by CaixaBank financing

/ IMPACT OF FINANCING FOR WASTEWATER MANAGEMENT

341.7 M³/year

Wastewater treated by CaixaBank financing

/ IMPACT OF THE FINANCING BY CAIXABANK

Impact on Energy⁷³

(Green energy generation + Avoided energy consumption)

14,663 GWh/year

1.60 Average GWh/year per million euros invested

Equivalent to the annual electricity consumption of:

3,963,085

European households

Impact on GHG emissions⁷⁴

(avoided GHG emissions)

3,276,978 tCO₂e/year

358 Average tCO₂e/year per M€ invested

Equivalent to the GHG emissions produced by:

729,227

Passenger vehicles driven in a year

⁷² Data as at end of Dec-22 and only for green finance. ⁷³ The Energy impact corresponds to the sum of electricity generated by financing renewable energy generation assets (SDG 7) and electricity consumption avoided by financing energy efficient buildings (SDG 9). ⁷⁴ The GHG emissions impact corresponds to the sum of GHG emissions avoided by financing renewable energy generation assets (SDG 7), GHG emissions avoided by financing energy efficient buildings (SDG 9) and financing clean and efficient transport (SDG 11).

Social financing



Social finance is finance that has a positive impact on society. In defining the criteria for the consideration of a corporate financing activity, the categories and eligibility criteria set out in the CaixaBank Sustainable Development Goals (SDGs) Funding Framework and additional criteria aligned with current best practices and market standards, including the draft Social Taxonomy, the Social Loan Principles of the Loan Market Association and the Social Bond Principles of ICMA, have been taken into account.

Regarding social financing, CaixaBank has MicroBank, the Group's social bank, which is a benchmark in financial inclusion through microcredits and other social impact finance. In addition, in 2023, CaixaBank, through CIB, promoted corporate financing. Of note were operations with the public sector and non-profit organisations, specifically two relevant operations with the Community of Madrid, both related to health and public education, and in Transactional Banking there were operations with the Generalitat Valenciana, which had an impact on health, public education and social inclusion, and with Accem, which finances its activity of helping refugees at risk of social exclusion.

In the first half of 2024, CaixaBank, through CIB continued to promote corporate financing. Of particular note are long-term operations such as the financing of Velindre, through which the design, construction and operation of a cancer hospital in Wales will be carried out.

Corporate financing to the public sector has also been boosted, notably the loan with the Community of Madrid, through which affordable housing, education, health, social and economic inclusion and SME financing projects will be financed, among other eligibilities.

Also noteworthy in the area of social inclusion and economic progress is the subsidy advance factoring agreement signed with ACCEM, which finances activities supporting refugees at risk of social exclusion.

In the Corporate sector, social financing is based on the financing of subsidised housing. Of particular note in the first half of the year was the €40 million in mortgage financing for social projects for Lagoom Living Sanchez Blanca.

(€ MILLION)	2023	1 ST HALF 2024
Microcredit and other social impact finance	1,383	1,079
Subsidised housing	376	124
Corporate financing of Z	1,326	2,587
Total	3,085	3,790

Financing referenced to sustainability variables

These are financings linked to ESG indicators where the conditions of the financing will vary depending on the achievement of sustainability objectives. In most operations, an external advisor assesses target-setting, following the recommendation of the Sustainability-Linked Loan Principles.

In both 2023 and the first half of 2024, CaixaBank continued to focus on granting loans referenced to sustainability variables in order to help its customers in their transition process. In this area, **CIB** has led outstanding transactions in different sectors and geographies, such as the loan to Tendam, a leader in the fashion sector, the loans granted to Aigües de Barcelona and Hidralia, in the field of integrated water cycle management, the sustainable credit facility to Société Foncière Lyonnaise (Colonial Group), a leader in the French prime real estate segment, and in the energy sector, the extension of the sustainable syndicated credit facility to Enagás and the sustainable syndicated credit facility to EDP. The first half of 2024 also saw transactions such as the loan to Axpo, a benchmark in the energy sector and the loan granted to Unibail-Rodamco-Westfield in the field of construction in Europe.

Under this classification, it is also worth highlighting transactions formalised in Transactional Banking, such as a line of guarantees for Sacyr that incorporates the group's decarbonisation objectives and the working capital positions of Valls Companys Group, aligned with sector-specific objectives. In both cases CaixaBank collaborated in the preparation of their Sustainable Financing Frameworks. In this regard, the confirming agreement signed with Carrefour also stands out, based on a structure of environmental KPIs.

Business Banking, has led the financing linked to environmental objectives with the operations of Hijos de Rivera and Profand Fishing Holding y the financing linked to environmental and social objectives of the Excellence Group.

Also noteworthy in transactional banking were factoring and confirming operations linked to environmental and social objectives, such as that of the Laninver Group.

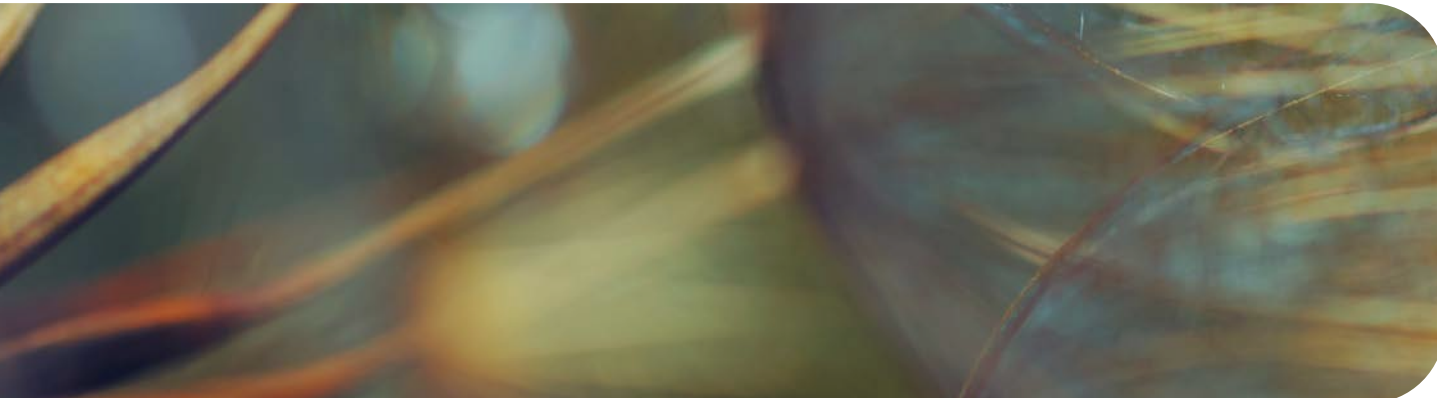
In the first half of 2024, CaixaBank continued its commitment to granting loans indexed to sustainability variables in order to help its customers in their transition process.

In this field, CIB has led outstanding transactions in different sectors and geographies, such as the loan to Axpo, a leader in the energy sector, and the loan granted to Unibail-Rodamco-Westfield in the construction sector in Europe.

Of note under this heading are the operations formalised in Transactional Banking, such as the confirming signed with Carrefour, based on a structure of environmental KPIs.

Meanwhile, Business Banking has led financing linked to environmental objectives with operations for Productos del Sur and Innometal, as well as financing tied to both environmental and social objectives with the operation for Aluminium Solutions Group.

By type of sustainability variables to which the loans are referenced, those that contribute to climate risk mitigation (e.g. carbon footprint intensity in its different scopes, percentage of installed capacity from renewable sources, etc.) predominate, as well as variables that contribute to improving the sustainability governance profile of companies (e.g. percentage of women in management positions, training hours per employee and sustainable profile of suppliers).



	2023	1 ST HALF 2024
Mitigation	59%	53%
Governance	14%	11%
Circular economy	8%	5%
Social	4%	3%
Water resources	3%	0%
Biodiversity	2%	8%
Other	10%	20%
Total	100%	100%

Awards and recognition

CaixaBank's commitment to mobilising funds for sustainable financing to drive the transition to a carbon neutral and socially equitable economy has resulted in it receiving the following awards.

REFINITIV

Refinitiv LSEG recognises CaixaBank in its league tables as:

1st Top bank in the 2023 EMEA Sustainable Finance Loan – Top Tier

6th Sixth bank in the 2023 Global Sustainable Finance Loan – Top Tier



> Global Finance recognises CaixaBank as **Best Bank in the World for ESG Loans 2023**



> Euromoney recognises CaixaBank as **Best Sustainable Bank in Spain 2023**.



> FCC-Aqualia, project of the year in the **Water** category of the Environmental Finance IMPACT Awards.

Sustainable brokering

The mobilisation of sustainable finance, in addition to sustainable financing, includes sustainable intermediation, which consists of CaixaBank's proportional participation in the issuance and placement of sustainable bonds, as well as the increase in assets under management classified as Article 8 and Article 9 under the Sustainable Finance Disclosure Regulation (SFDR) criteria, managed by CaixaBank Asset Management and VidaCaixa.

(€M)	2023	1 ST HALF 2024
Sustainable brokering		
Participation in the placement of sustainable bonds (excluding own issues)	1,660	1,171
Increase in sustainable assets under management	473	3,608
Total	2,133	4,779

Participation in the placement of sustainable bonds

CaixaBank has been a signatory to the **Green Bond Principles** since 2015 established by the International Capital Markets Association (ICMA).

Since then, the Bank has participated in the placement of green bonds allocated to projects that will have a positive impact on the climate.

/ 2023

Out of a total of

20 for **€1,660 M**

/ AMOUNT OF STAKE⁷⁵:

Green bonds

12 for **€1,010 M**

Sustainable bonds

5 for **€533 M**

Sustainability-linked bonds (SLB)






3 for **€177 M**

⁷⁵ Corresponds to CaixaBank's proportional holding in the issue and placement of sustainable bonds (green, social or mixed) on behalf of customers. It does not include own issuances, such as the social bond issued by CaixaBank.

/ GREEN BONDS⁷⁶

			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€1000 M	Green hybrid	No maturity	5.943 %	PTEDP4OM0025	Joint Bookrunner	January 2023
	€500 M	Green hybrid	No maturity	4.625 %	XS2552369469	Joint Bookrunner	January 2023
	€750 M	Green Covered Bond	6 years	3.125 %	AT000B049945	Joint Bookrunner	February 2023
	€600 M	Green hybrid	12 years	4.625 %	XS2589820294	Joint Bookrunner	February 2023
	€91.4 M	Green hybrid	2.6 years	4.900 %	XS2596338348	Joint Bookrunner	March 2023
	€500 M	Green hybrid	10 years	3.900 %	ES0200002089	Joint Bookrunner	April 2023
	€600 M	Green hybrid	5,4 years	3.362 %	EN00001010L6	Joint Bookrunner	June 2023
	€750 M	Green hybrid	No maturity	6.750 %	XS2646608401	Joint Bookrunner	August 2023
	€600 M & €750 M	Green hybrid	60 years	4.25 % and 4.375 %	XS2699159278 XS2699159351	Joint Bookrunner	September 2023
	€500 M	Green Senior Unsecured	7.5 years	5.125 %	XS2698998593	Joint Bookrunner	October 2023
	€600 M	Green Senior Unsecured	6 years	5.250 %	XS2661068234	Global Coordinator & Green Structuring Agent	October 2023

/ SUSTAINABLE BONDS⁷⁶

			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€1000 M	Sustainable Bond	10 years	3.596 %	ES00001010K8	Joint Bookrunner	February 2023
	€500 M	Sustainable Bond	6 years	3.711 %	ES0001352626	Joint Bookrunner	February 2023
	€700 M	Sustainable Bond	10.2 years	3.500 %	ES0000106742	Joint Bookrunner	February 2023
	€600 M	Sustainable Bond	10 years	3.950 %	XS2589820294	Joint Bookrunner	March 2023
	€500 M	Sustainable Bond	10 years	3.500 %	XS2596338348	Joint Bookrunner	June 2023

/ SUSTAINABILITY-LINKED BONDS – SLB⁷⁶










			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€600 M	Inaugural SLB	6.5 years	4.125 %	XS2582860909	Joint Bookrunner	January 2023
	€750 M & €750 M	Sustainable Bond	8 and 20 years	4 % and 4.50 %	XS2589260723 XS2589260996	Joint Bookrunner	February 2023

⁷⁶ The total amount of the issue is shown, not just CaixaBank's stake.

/ FIRST HALF OF 2024

Out of a total of

14 for **€1,171 M**/ AMOUNT OF STAKE⁷⁷:Green
bonds9 for **€704 M**Sustainable
bonds3 for **€367 M**Sustainability-
linked bonds
(SLB)2 for **€100 M**/ GREEN BONDS⁷⁸

			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€500 M	Green Sr Unsecured	10 years	3.000 %	XS2744299335	Joint Bookrunner	January 2024
	€750 M	Green Sr Unsecured	6.5 years	3.500 %	XS2747766090	Joint Bookrunner	January 2024
	€700 M	Green hybrid	No maturity	4.871 %	XS2748213290	Joint Bookrunner	January 2024
	€1100 M	Green hybrid	No maturity	5.752 %	XS2755535577	Joint Bookrunner	March 2024
	€750 M	Green hybrid	No maturity	4.750 %	XS2798269069	Joint Bookrunner	April 2024
	€600 M	Green Sr Unsecured	8 years	3.500 %	ES0200002121	Joint Bookrunner	April 2024
	€600 M	Green Sr Unsecured	5 years	3.173 %	ES00001010P7	Joint Bookrunner	May 2024
	€500 M	Green Sr Unsecured	6 years	4.125 %	XS2853679053	Joint Bookrunner	June 2024
	€500 M	Green Sr Unsecured	8 years	3.375 %	XS2838500218	Joint Bookrunner	June 2024

⁷⁷ Corresponds to CaixaBank's proportional holding in the issue and placement of sustainable bonds (green, social or mixed) on behalf of customers. Does not include the placement of own issues.

⁷⁸ The total amount of the issue is shown, not just CaixaBank's stake.

/ SUSTAINABLE BONDS⁷⁹

			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€600 M	Sustainable Bond	10 years	3.400 %	ES0000106759	Joint Bookrunner	February 2024
	€1000 M	Sustainable Bond	10 years	3.462 %	ES00001010 M4	Joint Bookrunner	February 2024
	€750 M	Sustainable Bond	10 years	3.400 %	ES0000090912	Joint Bookrunner	March 2024

/ SUSTAINABILITY-LINKED BONDS (SLB)⁷⁹

			Maturity	Coupon	ISIN	Stake in issuance	Issued
	€500 M & €500 M	Sr Unsecured SLB	6 and 8 years	4.25 % and 4.625 %	XS2775027043 XS2775027472	Joint Bookrunner	February 2024

Mobilising sustainable finance – Business In Portugal

The CaixaBank Group is also committed to mobilising sustainable finance in its Portuguese business, through Banco BPI.

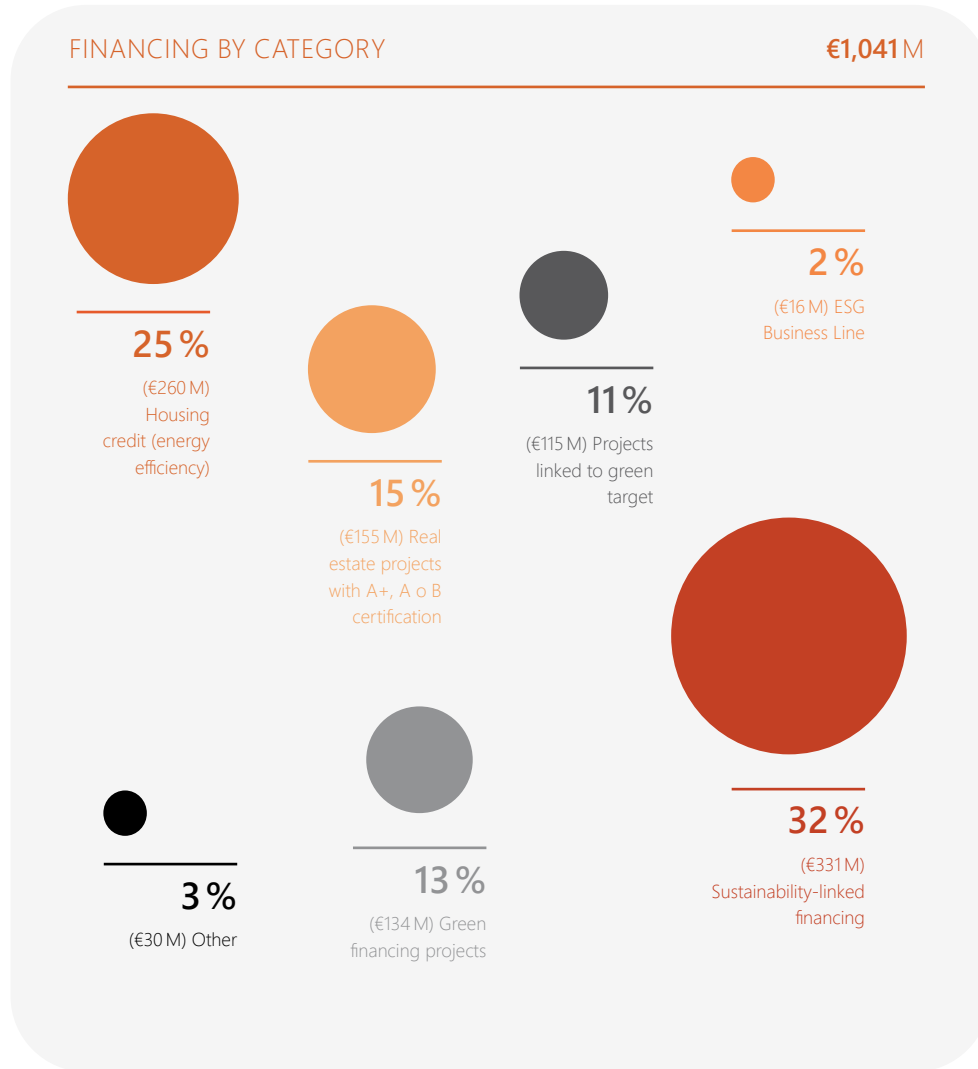
Aware of the importance of adopting measures to ensure environmental sustainability in its products, Banco BPI offers a range of credit facilities to promote energy efficiency and supports several renewable energy and social investment projects.

At the end of June 2024, the target of €4,000 million set in BPI's 2022-2024 Strategic Plan had already been exceeded, reaching €4,663 million, broken down into €2,575 million in sustainable financing and €2,088 million in sustainable intermediation.

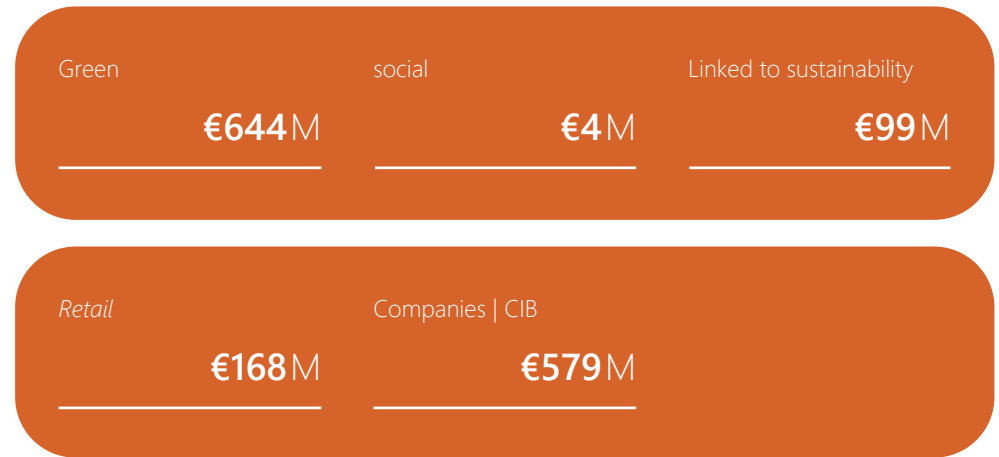


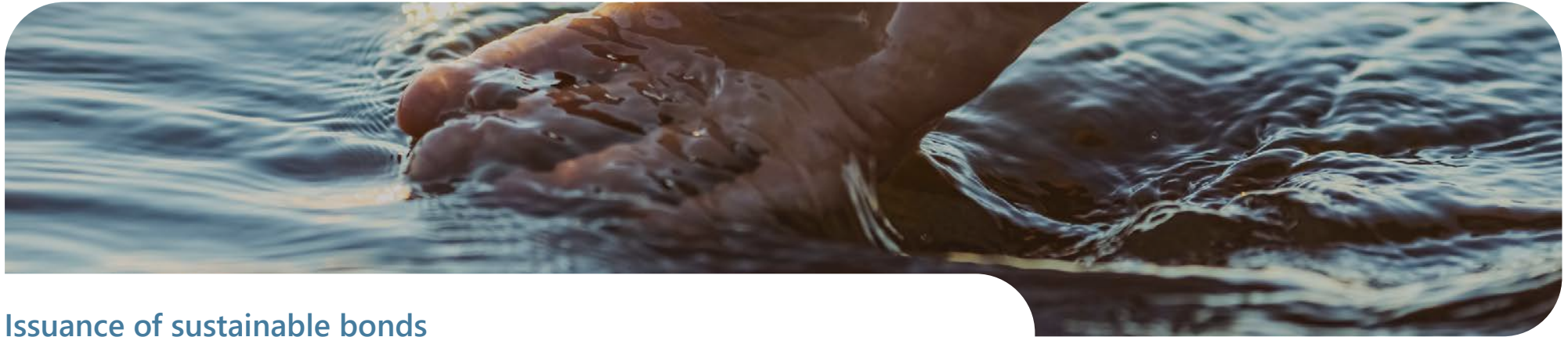
⁷⁹ The total amount of the issue is shown, not just CaixaBank's stake.

The main lines of sustainable financing for BPI in 2023 are set out below:



During the first half of 2024, BPI promoted the financing of sustainable activities, granting €747 million.





Issuance of sustainable bonds

Green bonds

The issuance of green bonds is part of CaixaBank's strategy to combat climate change and contribute to the transition to a carbon neutral economy. In the green bond market, the Group has issued a total of eight green bonds amounting to €7.15 billion since its inaugural issuance in 2020.

These bonds have been issued under CaixaBank's framework for bond issuance linked to the United Nations Sustainable Development Goals, which was approved in 2019 and updated in 2022. This framework is aligned with the Green Bond Principles, Social Bond Principles, and the Sustainability Bond Guidelines of the International Capital Market Association (ICMA).

CaixaBank strictly manages and monitors the net funds obtained, publishing an annual monitoring report on the impact of its own green bonds issued, which is verified by an independent third party.

The portfolio of eligible green assets consists of loans mainly for renewable solar and wind energy projects.

In the first half of 2024, CaixaBank issued its 7th and 8th green bonds (1 green bond for €1,250 million and another for CHF 300 million), the proceeds of which will be used mainly to finance renewable energy projects, energy-efficient buildings, clean public transport, water projects and responsible consumption.

Social bonds

CaixaBank has promoted the issuance of its own social bonds through which it undertakes to promote investments that generate a positive social impact, in line with the United Nations Sustainable Development Goals. With the funds raised, CaixaBank promotes projects that help to fight poverty, promote education and welfare, foster economic and social development in the most disadvantaged areas of Spain, generate a positive impact on employment and promote the construction of basic infrastructures.

As with green bonds, CaixaBank strictly manages and monitors the net funds obtained, publishing an annual monitoring report on the impact of its own social bonds issued, which is verified by an independent third party.

In 2023, CaixaBank issued a €1,000 million social bond, making a total of five social bonds since 2019. Together with the eight green bonds issued from 2020 to the first half of 2024, this makes a total of thirteen bonds totalling approximately €12.15 billion, issued under the framework for bond issuance linked to the Sustainable Development Goals published in 2019 and updated in November 2022.

Responsible investment

CaixaBank is a signatory, as of 2019, of the **Principles for Responsible Banking**, launched by the United Nations Environment Programme Finance Initiative (UNEP FI). These Principles aim to align the actions of the financial sector with the achievement of the United Nations Sustainable Development Goals and the Paris Agreement on climate change.

As a signatory, CaixaBank reports annually on the level of progress in its implementation⁶⁶ and maintains its firm commitment to the United Nations Global Compact and forms part of the main international sustainability indexes, with high ratings.

The integration of sustainability factors in the investment process complies with the corporate framework for the integration of sustainability risks defined for the Group, as well as with numerous international agreements and standards in this area, making the Group a benchmark institution in responsible investment.

The classification typology of Assets Under Management (AUM) under the SFDR is as follows:

- **Article 8:** Financial products and services that promote environmental and/or social characteristics.

- **Article 9:** Financial products and services that pursue sustainable investment objectives.

- **Article 6:** Products and services that take into consideration environmental, social and governance risks in investment decision-making that are not taken into account in Articles 8 or 9 and also those that do not integrate sustainability risks.

Throughout 2023, the Group continued to make progress in improving transparency and its investment management model under ESG criteria, acting in line with the Principles of the Global Compact and the Principles for Responsible Investment (PRI) and also in strict compliance with European regulations: SFDR Disclosure Regulations and the European Union's *Green MiFID*.

In addition, the Group is committed to offering its customers the best customer experience, based on quality service and specialised sustainability products tailored to their needs.

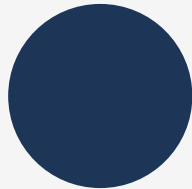
In the financial year 2023 the equity of products traded under SFDR was €136,559M⁶⁷ and in the first half of 2024 it amounted to €145,647M.

⁶⁶ Consolidated management report 2023 (Vid. Page 581-616).

⁶⁷ Includes CaixaBank's Discretionary Portfolio Management, CaixaBank's mutual funds, Asset Management and VidaCaixa's pension funds, EPSVs and Unit Linked.

/ JUNE 2024

Assets and products classified under (Article 6)



67.7%
€60,242 M

Equity in the form of sustainability-rated products (Article 8 – promotes)



30.8%
€27,407 M

Equity in the form of sustainability-rated products (Article 9 – impacts)



1.5%
€1,334 M

Assets and products classified under (Article 6)



35.4%
€1,245 M

Equity in the form of sustainability-rated products (Article 8 – promotes)



60.7%
€2,142 M

Equity in the form of sustainability-rated products (Article 9 – impacts)



3.9%
€139 M

/ SPAIN

€88,983 M



32.3%

Of assets will have a high sustainability score under the SFDR (Articles 8 and 9) (€28,741 million)

/ PORTUGAL

€3,530 M



64.6%

Of assets will have a high sustainability score under the SFDR (Articles 8 and 9) (€2,282 million)

CaixaBank launched innovative investment solutions in different asset classes in 2023, such as the launch of the fund **CaixaBank Gestión Tendencias FI**. It is a fund that invests in large, long-term global trends with a sustainable focus. By investing in a specific trend or idea, the fund seeks to capitalise on a change in society or the economy that will have a positive impact on certain sectors or industries.

To complete the range offered, in the first half of 2024, the Group launched the **CaixaBank Improvers FI** fund. It is a fund that invests in companies that are improving in their ESG strategies, as opposed to other strategies that invest primarily in the best current companies (Best in Class). Companies that are demonstrating progress on the "journey" towards sustainability. It belongs to the category of Article 8 funds.

/ ASSETS OF PRODUCTS MARKETED UNDER SFDR - DATA JUN'24



53.3%
Assets in products classified under Article 6



45.0%
Assets in products classified under Article 8



1.7%
Assets in products classified under Article 9

€145,647 M

46.7%

of assets have a rating under Articles 8 and 9 of SFDR

100%

Of the assets under management with ESG considerations

The CaixaBank Group has a holistic framework for sustainable investment. This sustainable investment framework is based on the following core pillars:

- Integration of ESG factors, in addition to traditional financial criteria, into investment decision-making and analysis relating to investment advisory and discretionary portfolio management services.
- Compliance with the Engagement Policy, which includes dialogue actions with the issuers in which it invests.

The CaixaBank Group, of which CaixaBank Asset Management and VidaCaixa form part, is committed to the integration of ESG criteria in investments, understood as those that not only offer financial returns for investors, but also promote management that is consistent with the creation of value for society as a whole, pursuing social and environmental benefits.

Responsible investment is laying the foundations for a more sustainable future. In this respect, the Group innovates, advises and promotes investment solutions to enable its clients to move forward on the road to sustainability.

The Group's management companies, CaixaBank Asset Management and BPI Gestão de Ativos and its insurance company, VidaCaixa, obtained the highest rating in the UN Principles for Responsible Investment (PRI).

In recent years, following the UN Global Compact Principles and the UN Principles for Responsible Investment (PRI), environmental, social and governance criteria have been taken into account in the investment screening process, in addition to the traditional financial and risk criteria.

Both VidaCaixa and CaixaBank Asset Management have obtained Certification in Sustainable Finance under AENOR's ESG criteria. This certification endorses the work and efforts made by the Group's two asset managers to integrate ESG criteria into their investment decision-making processes, as well as the improvements in the control and monitoring of these criteria.

In addition, both VidaCaixa⁸² and CaixaBank Asset Management⁸³ have published their 2024 Issuer Engagement Plans and both endorse the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) on climate risk management.

VidaCaixa

Insurance firm VidaCaixa is one of the leaders in the Spanish insurance ranking with more than €115 billion in assets under management in 2023.

Customer funds

Spain⁸⁴

€120,977 M

First half of 2024

€115,411 M

In December 2023

Portugal⁸⁵

€7,611 M

First half of 2024

€7,523 M

In December 2023



100%

Of assets under management with ESG aspects considered as at 30 June 2024 (according to UNPRI criteria)



⁸²2024 Engagement Plan – VidaCaixa

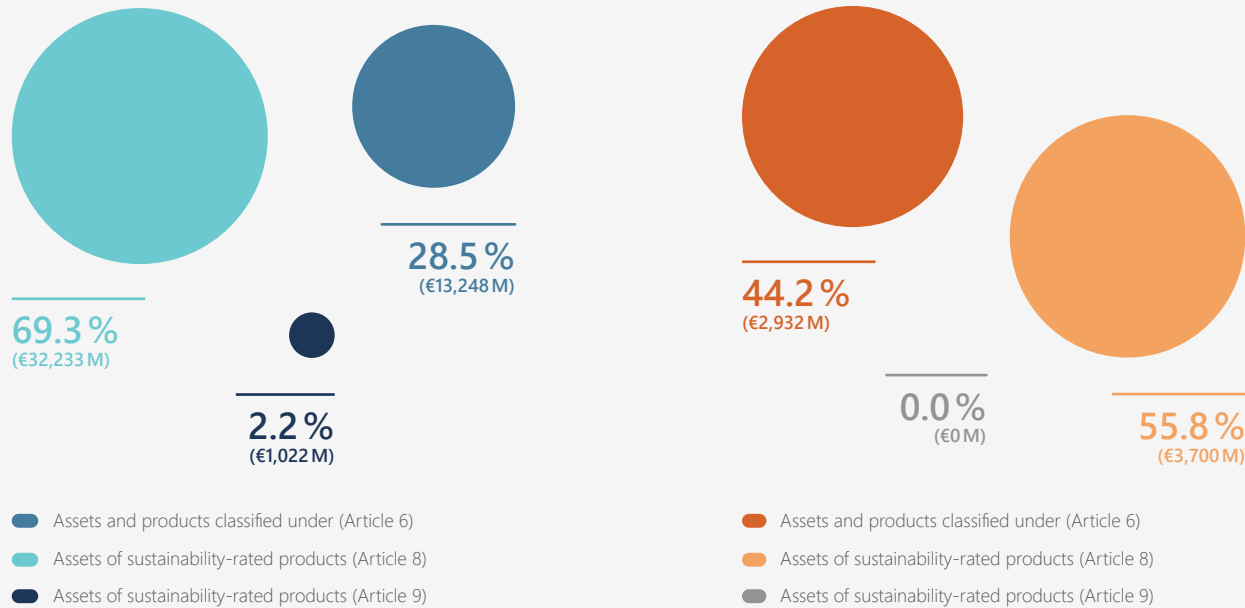
⁸³2024 Engagement Plan - CaixaBank Asset Management

⁸⁴Includes the life and pension plan business pertaining to VidaCaixa, S.A.

⁸⁵Includes the life business and pension plans of BPI Vida e Pensões, wholly owned by VidaCaixa, S.A.

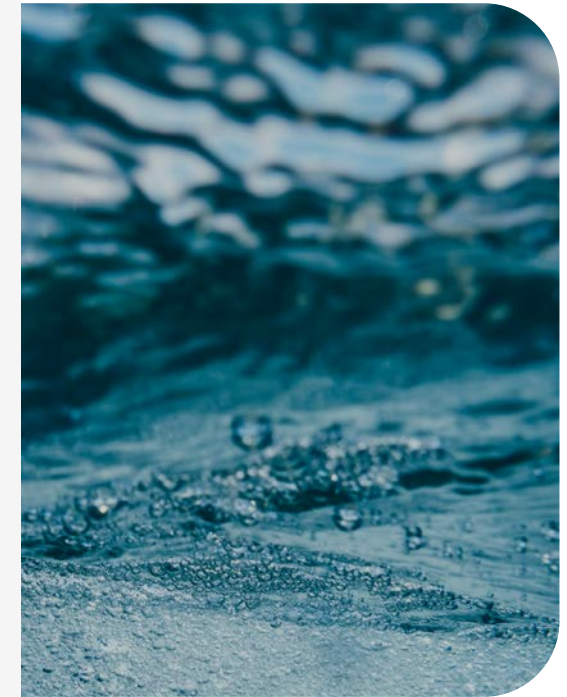
June 2024

/ ASSET DISTRIBUTION OF PRODUCTS UNDER SFDR



Spain⁸⁶ €46,503 M
 71.5% of equity will have a high sustainability rating according to SFDR (articles 8 and 9) (€33,255 million)

Portugal⁸⁷ €6,632 M
 55.8% of assets will have a high sustainability rating according to SFDR (Articles 8 and 9) (€3,700 million)



VidaCaixa has the highest rating (5 stars) by the Principles for Responsible Investment (PRI) in the "Policy Governance & Strategy" category.

⁸⁶ Includes the life and pension plan business pertaining to VidaCaixa, S.A.

⁸⁷ Includes the life business and pension plans of BPI Vida e Pensões, wholly owned by VidaCaixa, S.A.

CaixaBank Asset Management

Comillas Icade, together with CaixaBank Asset Management, is promoting the Sustainable Finance Observatory, which will facilitate the understanding of the risks and opportunities involved in the transition to a more sustainable society, with an inclusive vision of the sectors involved and affected.

CaixaBank Asset Management is the only European fund manager to obtain the EFQM 500 Seal for its strategy focused on excellence, innovation and sustainability.

Customer funds

Spain⁸⁸

€89,784 M

December 2023

€97,150 M

June 2024

Portugal⁸⁹

€6,725 M

December 2023

€6,694 M

June 2024

Luxembourg⁹⁰

€808 M

Luxembourg 2023

€919 M

June 2024

100%

Of assets under management with ESG aspects considered as at 30 June 2024 (according to UNPRI criteria)

CaixaBank Asset Management obtained the highest rating with 5 stars in three modules:

- "Policy, Governance and Strategy"
- "Confidence Building Measures"
- "Direct - Listed equity - Active fundamental".

BPI Gestão de Ativos has had the highest rating (5 stars) in 5 modules:

- "Policy, Governance and Strategy"
- "Confidence Building Measures"
- "Indirect - Listed equity - Active".
- "Indirect - Fixed income - Active"
- "Direct - Hedge funds - Long/short equity".

⁸⁸ Includes the fund business, discretionary management portfolio and SICAVs pertaining to CaixaBank Asset Management SGIC.

⁸⁹ Includes the mutual and real estate fund business and discretionary management portfolios of BPI Gestão de Ativos SGFIM, wholly owned by CaixaBank Asset Management.

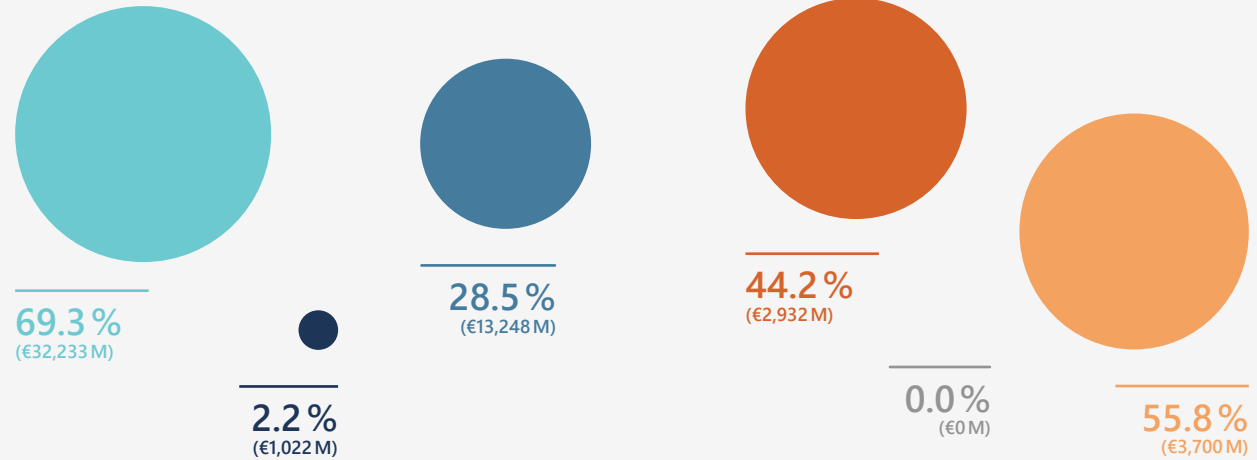
⁹⁰ Includes the fund business and the SICAVs of CaixaBank Asset Management Luxembourg, S.A.

June 2024



100% of assets under management with ESG aspects considered as of 30 June 2024 (according to UNPRI criteria)

/ ASSET DISTRIBUTION OF PRODUCTS UNDER SFDR



- Assets and products classified under (Article 6)
- Assets of sustainability-rated products (Article 8)
- Assets of sustainability-rated products (Article 9)

- Assets and products classified under (Article 6)
- Assets of sustainability-rated products (Article 8)
- Assets of sustainability-rated products (Article 9)

Spain **€46,503 M**

71.5% of assets have a high sustainability rating according to SFDR (Articles 8 and 9) (€33,255 million)

Portugal **€6,632 M**

55.8% of assets have a high sustainability rating according to SFDR (articles 8 and 9) (€3,700 M)

Launch of new products

In relation to sustainable transition and climate change mitigation and adaptation, new sustainable products and services were launched, such as the market for CO₂ carbon credits for corporate customers; new funds and sustainable pension plans; and extension of solar panel financing lines from private customers to businesses and agribusinesses. In addition, the eco-loan for sustainable vehicles (zero and eco-labelled) is being reformulated to improve its conditions and a mortgage financing product is being designed to incorporate efficient home refurbishment. In order to continue to grow and, consequently, increase user loyalty, the imagin platform has expanded its range of financial products over the past year. In addition to the fee-free cards and accounts offered by imagin, there are new financing and investment products that maintain the mobile-only operation that have made it a leader in banking for young people.

In 2023, the following products were launched:

- Capturing of payrolls: Around 51% of imagin's adult customers have their salary or benefits paid directly into imagin.
- Limited edition "MyCard imagin" card In June, coinciding with the celebration of World Oceans Day, imagin launched a limited edition of its 'MyCard imagin' credit card, which has the characteristic of being made of plastics taken from the sea.
- Mortgage loans: Among its portfolio of financial products, imagin offers fixed-rate mortgages. The contracting is 100% online, which means that the mortgage application and management process is done entirely through the imagin app.
- ImaginShop: The platform has an integrated catalogue of technological products and offers financing to acquire them.
- Mutual funds: imagin has integrated into its app a selection of funds from the Ocean catalogue, which includes more than 1,000 funds and 140 fund managers from around the world. The catalogue is categorised into collections with different sectoral themes and is rated according to compliance with ESG criteria.
- Broker: imagin has incorporated "Broker" into its application. This is a new trading operation involving the purchase and sale of shares in American and European companies. As with funds, it offers a simplified trading experience and tailored pricing.

Indices and ratings



Worst - Scale - Best

Highlights

ESG Entity Rating Score (solicited)



2



- ESG Entity Rating Score. Reference analyst: Sustainable Fitch Solicited
- First inclusion 2023. Last update October 2023

Sustainability score



82



- **DJSI World, DJSI Europe**
- Included continuously since 2012. Last updated December 2023
- CaixaBank ranks 13th on **DJSI World** and **2nd on DJSI Europe**

ESG rating



A (Medium)



- CaixaBank has been part of the **MSCI ESG** Leader Index since 2015
- First included in 2015. Last updated in February 2024
- Leader in consumer finance protection and above-average ratings in environmental impact financing, access to financing and corporate governance
- Analyst **MSCI ESG**

ESG rating



4,2



- FTSE4Good Index Series
- First inclusion in 2011. Last update in June 2023
- Overall rating above the sector average (4.1 vs. 2.6 sector average); also above average in all categories: Environment: 3 vs 2.8 sector average; Social: 4.7 vs 2.7 sector average; Governance: 4,8 vs 3.6 sector average
- FTSE Russell Analyst



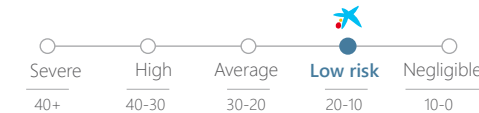
Worst - Scale - Best

Highlights

ESG risk rating



Low risk (16.1)

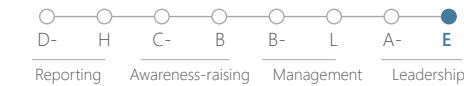


- **STOXX Global ESG**
- First included in 2013. Last updated in December 2023.
- Exposure to ESG risks "LOW RISK". CABK's ESG material risk management is Strong and above the international banking sub-industry average (Diversified Banks) of 26.6.
- Analyst Sustainalytics

Climate change rating



A (Leadership)

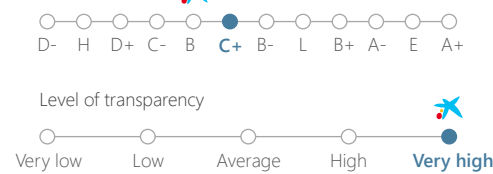


- First inclusion 2012. Last update January 2024
- Included on the A List
- 10th consecutive year in the "Leadership" category for corporate transparency and climate risk action
- Analyst **CDP**

Corporate ESG rating



C+ Category: Prime
Transparency: very high
Decile rank: #1



- **ISS ESG Europe Governance QualityScore Index, Solactive ISS ESG index Series**
- First included in 2013. Last updated December 2023.
- CaixaBank is in the top 10% of the sector (Public & Regional Banks, which includes 279 companies), PRIME category, with a decile of: 1
- ISS ESG analyst

ESG score



1

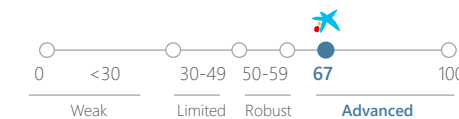


- Updated monthly. Last updated June 2024.
- Highest score of 1 in all three areas of the **ISS ESG Quality Score**: Environmental, Social and Governance
- **ISS** analyst

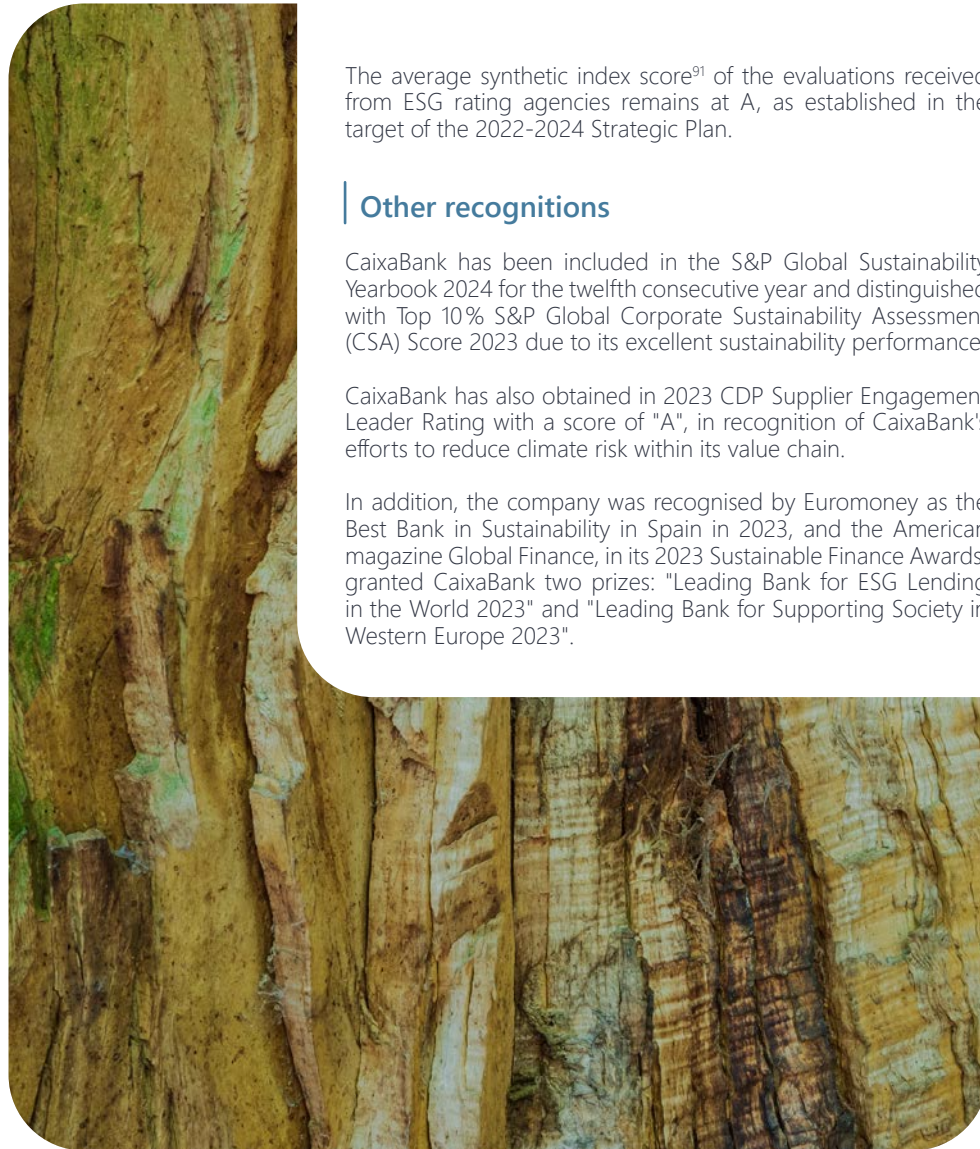
Sustainability index



67 Advanced



- Solactive Europe Corporate Social Responsibility Index PR
- First inclusion 2013. Last updated October 2023
- "Advanced" category and above the sector average for "Diversified Banks"; "Advanced" category and above average in 16 areas, including Environmental Strategy and Climate Change, 3 Human Resources areas, Green Products and SRI, Internal Controls and Risk Management, Non-Discrimination and Financial Inclusion.
- Analyst **Moody's ESG**



The average synthetic index score⁹¹ of the evaluations received from ESG rating agencies remains at A, as established in the target of the 2022-2024 Strategic Plan.

Other recognitions

CaixaBank has been included in the S&P Global Sustainability Yearbook 2024 for the twelfth consecutive year and distinguished with Top 10% S&P Global Corporate Sustainability Assessment (CSA) Score 2023 due to its excellent sustainability performance.

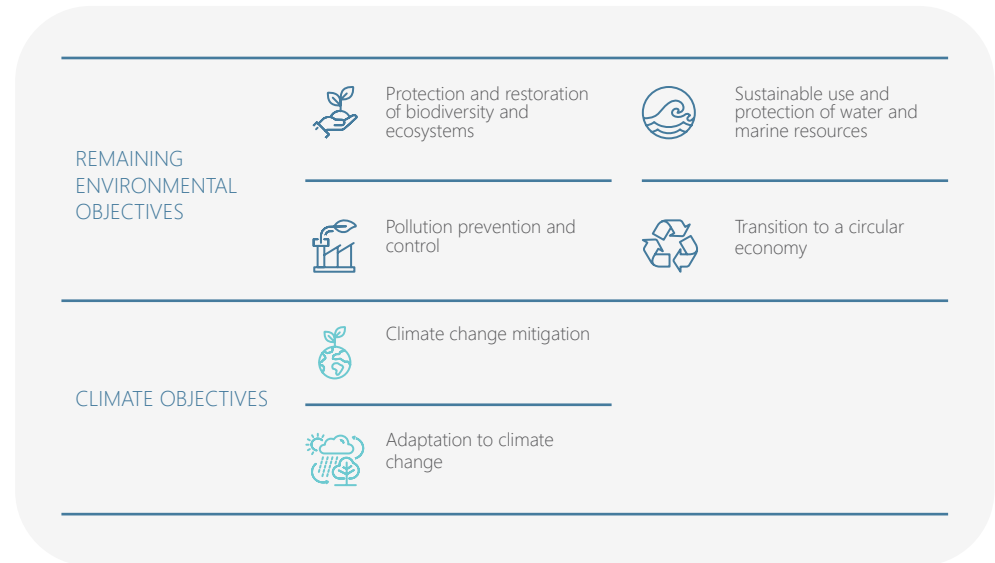
CaixaBank has also obtained in 2023 CDP Supplier Engagement Leader Rating with a score of "A", in recognition of CaixaBank's efforts to reduce climate risk within its value chain.

In addition, the company was recognised by Euromoney as the Best Bank in Sustainability in Spain in 2023, and the American magazine Global Finance, in its 2023 Sustainable Finance Awards, granted CaixaBank two prizes: "Leading Bank for ESG Lending in the World 2023" and "Leading Bank for Supporting Society in Western Europe 2023".

EU taxonomy for sustainable activities

In 2020, the European Parliament and the Council of the European Union adopted Regulation (EU) 2020/852, hereafter the Taxonomy Regulation, which sets common harmonised criteria in the European Union for determining whether an economic activity can be considered environmentally sustainable.

In order to establish the environmental sustainability of a particular economic activity, the EU has defined a list of environmental objectives:



As a significant novelty, the development of the remaining environmental objectives outlined in the Taxonomy was published in the Official Journal of the European Union in 2023, in addition to incorporating new activities into the climate objectives.

Article 8 of the Taxonomy Regulation states that companies subject to the Non-Financial Reporting Directive (NFRD), including financial companies, must publish the extent to which their business is eligible and aligned with the Taxonomy criteria.

⁹¹ Composite ESG index created by CaixaBank, using a methodology developed by KPMG, which provides aggregate information from the main ESG analysis firms. The indicator objectively weights the results obtained by the Bank in the scores of the main international ESG analysts (S&P Global, Sustainalytics, MSCI and ISS ESG).

The regulations stipulate that financial companies have a one-year delay with respect to non-financial companies for the publication of the alignment, so that CaixaBank is publishing these indicators for the first time this year.

The disclosure obligations for Financial Institutions are as follows:

LATEST DEVELOPMENTS 2023

Climate change mitigation	Water and marine resources	Circular economy	Eligibility <ul style="list-style-type: none"> New mitigation and adaptation activities
Adaptation to climate change	Pollution prevention	Biodiversity and ecosystems	
Climate change mitigation			Alignment <ul style="list-style-type: none"> Green Asset Ratio (GAR) Green Investment Ratio (GIR)
Adaptation to climate change			
Nuclear energy			Nuclear and Gas <ul style="list-style-type: none"> Additional information on the financing of nuclear energy and natural gas
Natural gas			



In the two previous years, CaixaBank published the eligibility ratios for the first two environmental objectives (mitigation and adaptation to climate change). In 2023, the eligibility rate⁹² was published for the first time for the remaining four targets and for the new activities added in 2023 to the climate targets.

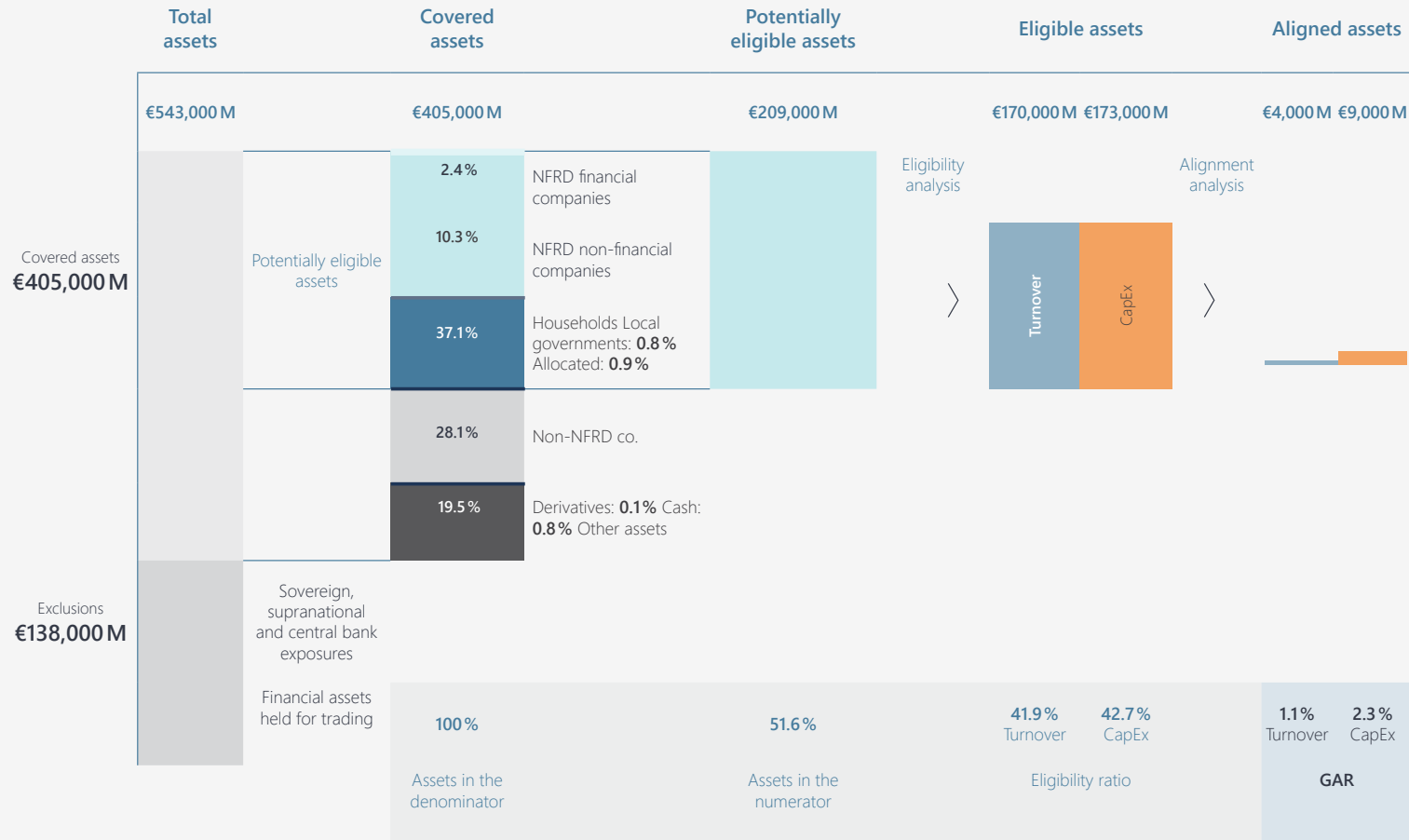
In 2024, CaixaBank publishes for the first time the GAR (Green Asset Ratio) and GIR (Green Investment Ratio) for the climate change mitigation and adaptation objectives of the old activities (before the incorporation of new activities in 2023), in accordance with Delegated Act 2021/2139 of 4 June 2021, which specifies the criteria for determining which economic activities are aligned in relation to these climate objectives.

The data as at 31 December 2023 were prepared on a best effort basis to follow applicable regulations and will evolve in the future as more information from counterparties and new regulatory developments become available.

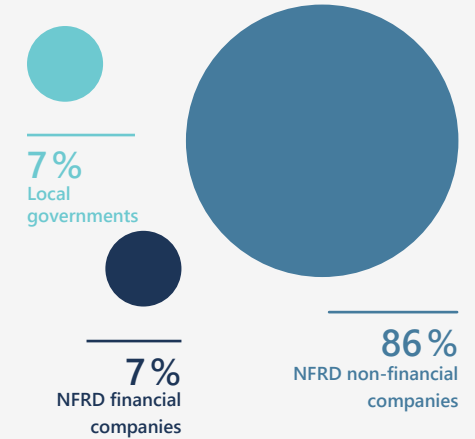
The ratios calculated as at 31 December 2023 for the Banking Group and the business insurance, as required by the Taxonomy Regulation and the FAQs, are presented below.

⁹²Consolidated Management Report 2023 (see page 247).

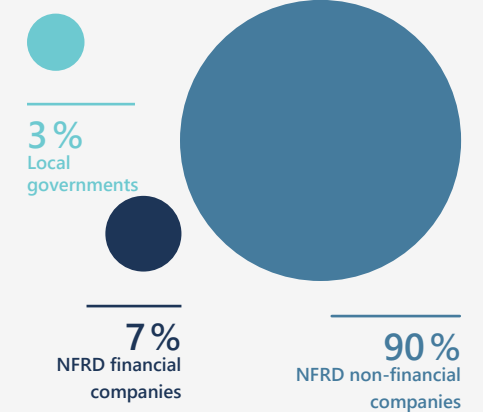
/ BANKING GROUP



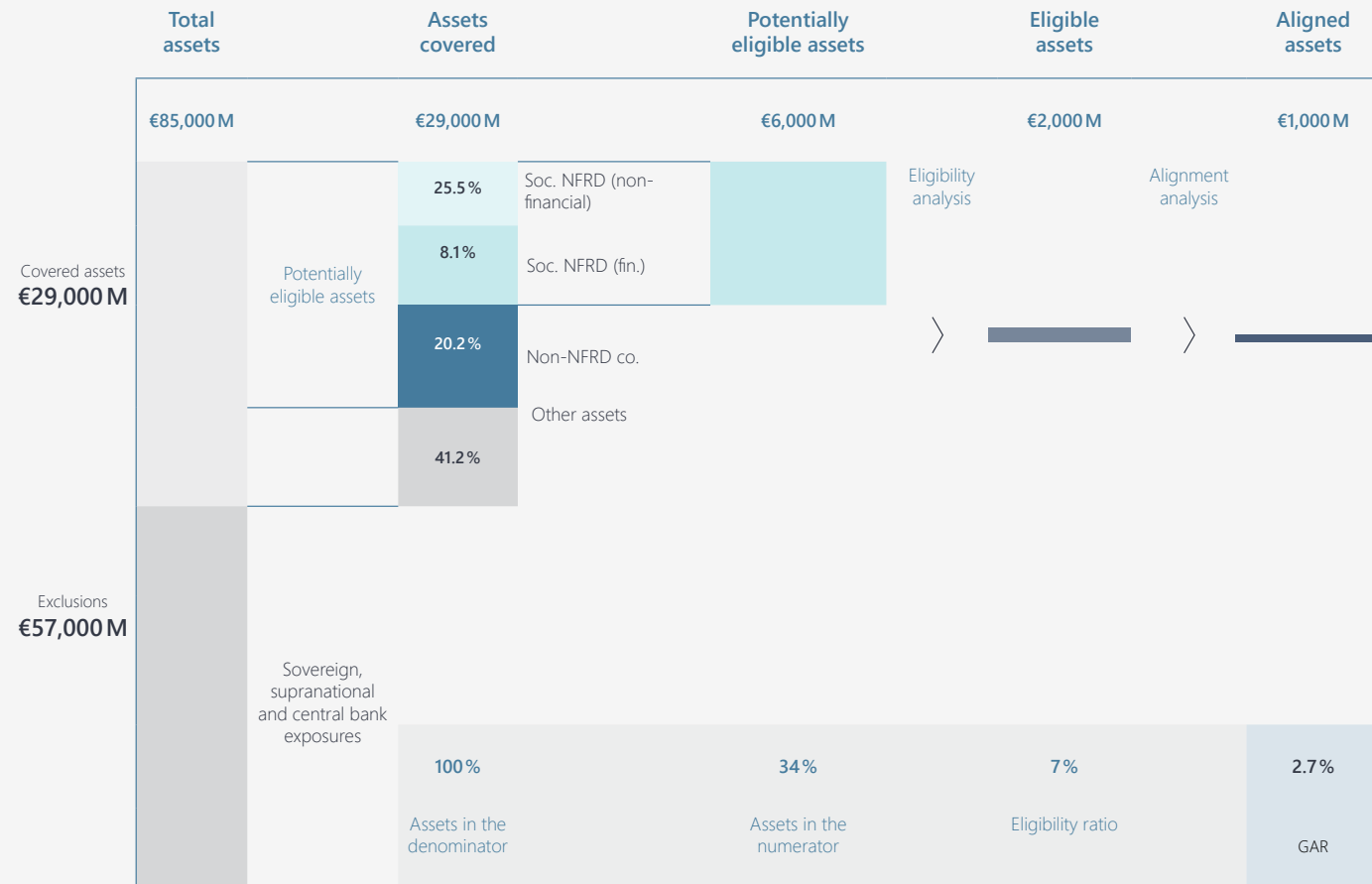
/ TURNOVER CRITERIA €4,000 M



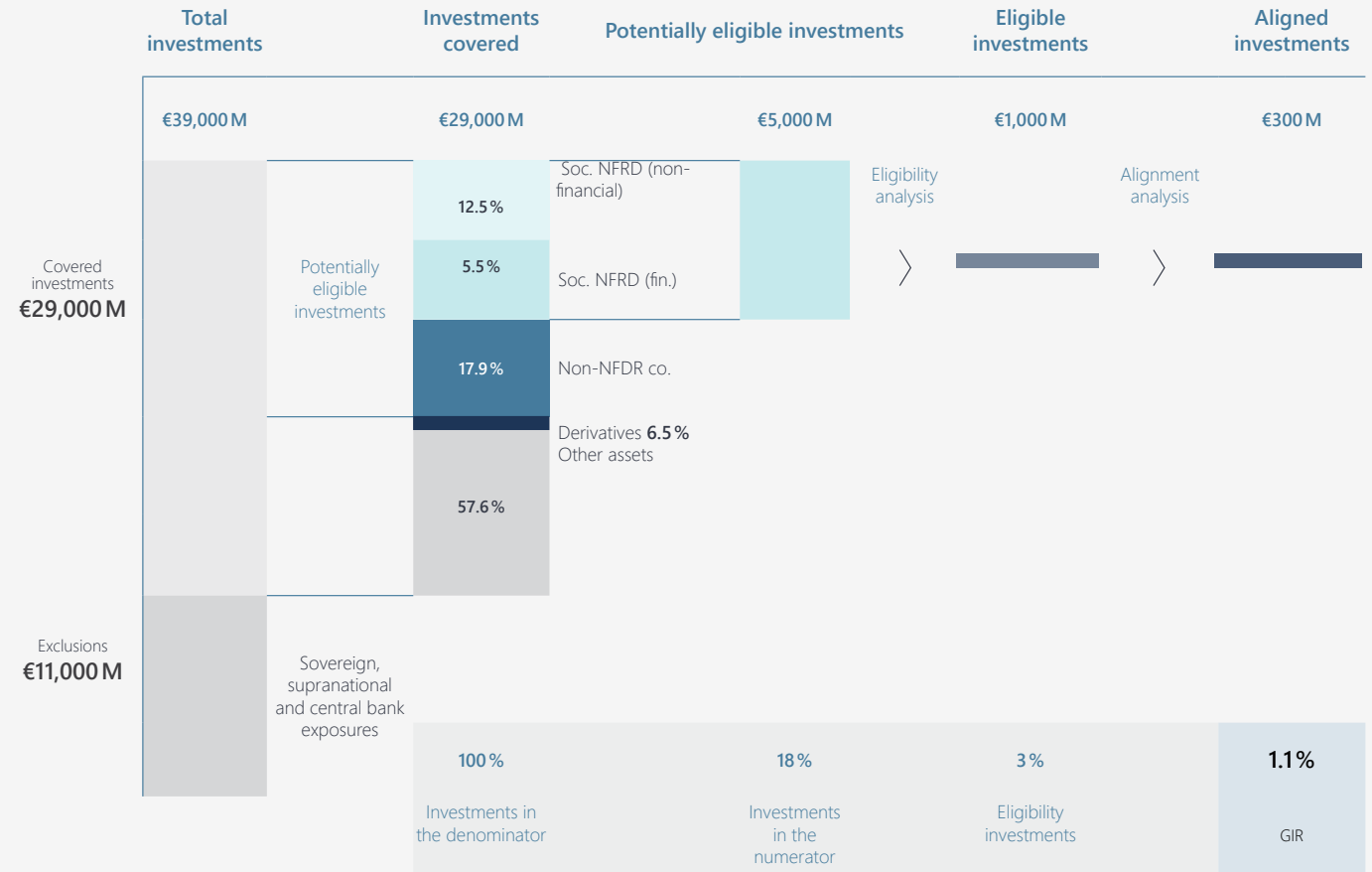
/ CAPEX CRITERIA €9,000 M



/ INSURANCE BUSINESS



/ BUSINESS OF PENSION SCHEMES AND ESPV



Climate Risk Metrics

Risk Appetite Framework

The Risk Appetite Framework (the "Framework" or "RAF") is a comprehensive and forward-looking tool, structural in nature, used by the Board of Directors to determine the types and thresholds of risk (risk appetite) it is willing to assume in achieving the Group's strategic objectives. These objectives are formalised through the qualitative statements in relation to risk appetite, expressed by the Board of Directors, and the metrics and thresholds that allow the monitoring of the activity's performance for the different risks in the corporate catalogue.

From 2022, a metric is incorporated into the RAF that aims to monitor the concentration of the Businesses segment's portfolio in carbon-intensive sectors.

From 2023, a metric has also been included that monitors the physical, climate change-related risks of the portfolio that finances business activities and of the real estate assets that serve as collateral.

Other Climate Risk metrics

Under Pillar 3, in addition to monitoring financed emissions, decarbonisation and sustainable mobilisation metrics, the Bank monitors climate risk-related metrics on a biannual basis:

- Exposures subject to transition risk by intensive sector
- Energy efficiency of the mortgage portfolio
- Exposure to top 20 carbon-intensive companies
- Exposure subject to physical risk
- Other climate change mitigation actions not covered in the EU taxonomy

Information on these metrics can be found in the CaixaBank Group's Prudential Relevance Report, which includes the information and transparency requirements for the market.

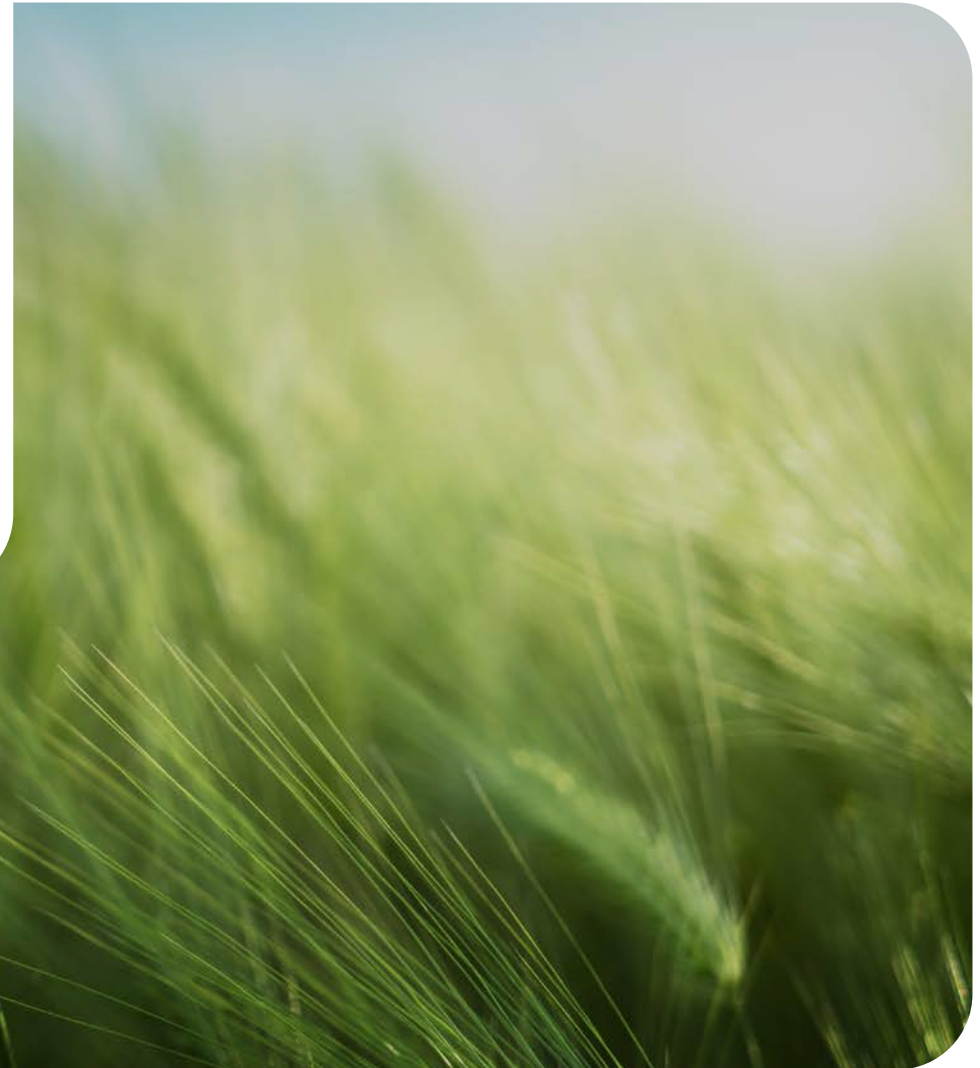


Financed emissions and decarbonisation targets

CaixaBank measures the emissions linked to its financing and investment (Category 15 of Scope 3, on carbon footprint) in order to determine the overall impact of its financial activity in terms of its carbon footprint.

This information helps CaixaBank to define decarbonisation pathways to achieve net zero emissions by 2050, in line with the NZBA commitment. As a reference, CaixaBank has used the guidelines defined by PCAF (Partnership for Carbon Accounting Financials) in its accounting and reporting standard "The Global GHG Accounting & Reporting Standard for the Financial Industry" to quantify the emissions financed by its loan portfolio:

- Emissions associated with the mortgage portfolio have been calculated based on information from the energy performance certificate (actual or estimated) of the financed properties.
- Issuances associated with the rest of the financing and investment portfolio have been calculated from carbon footprint information (Scope 1, 2 and 3) reported by the companies/projects financed or from issuance factors published by PCAF when companies do not publish their carbon footprint.
- Issuances linked to vehicle financing have been estimated taking into account vehicle type and average mileage proxies.

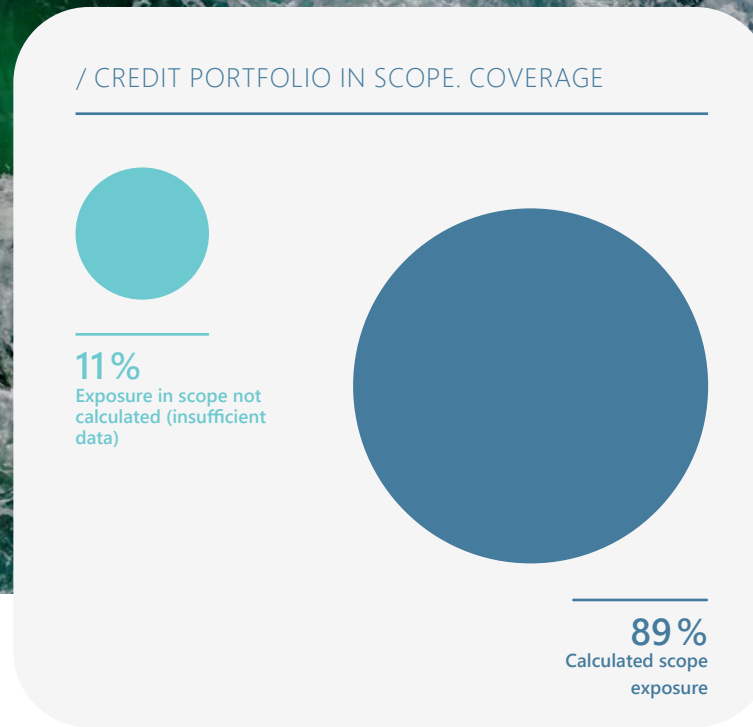
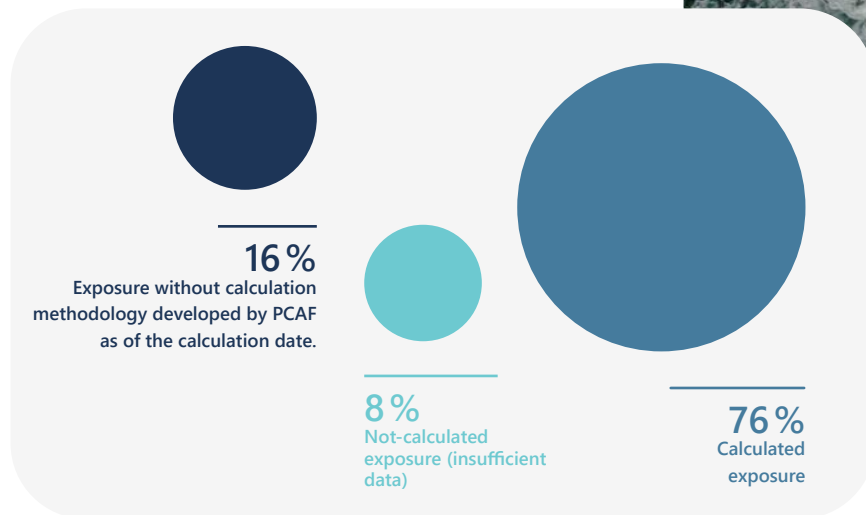
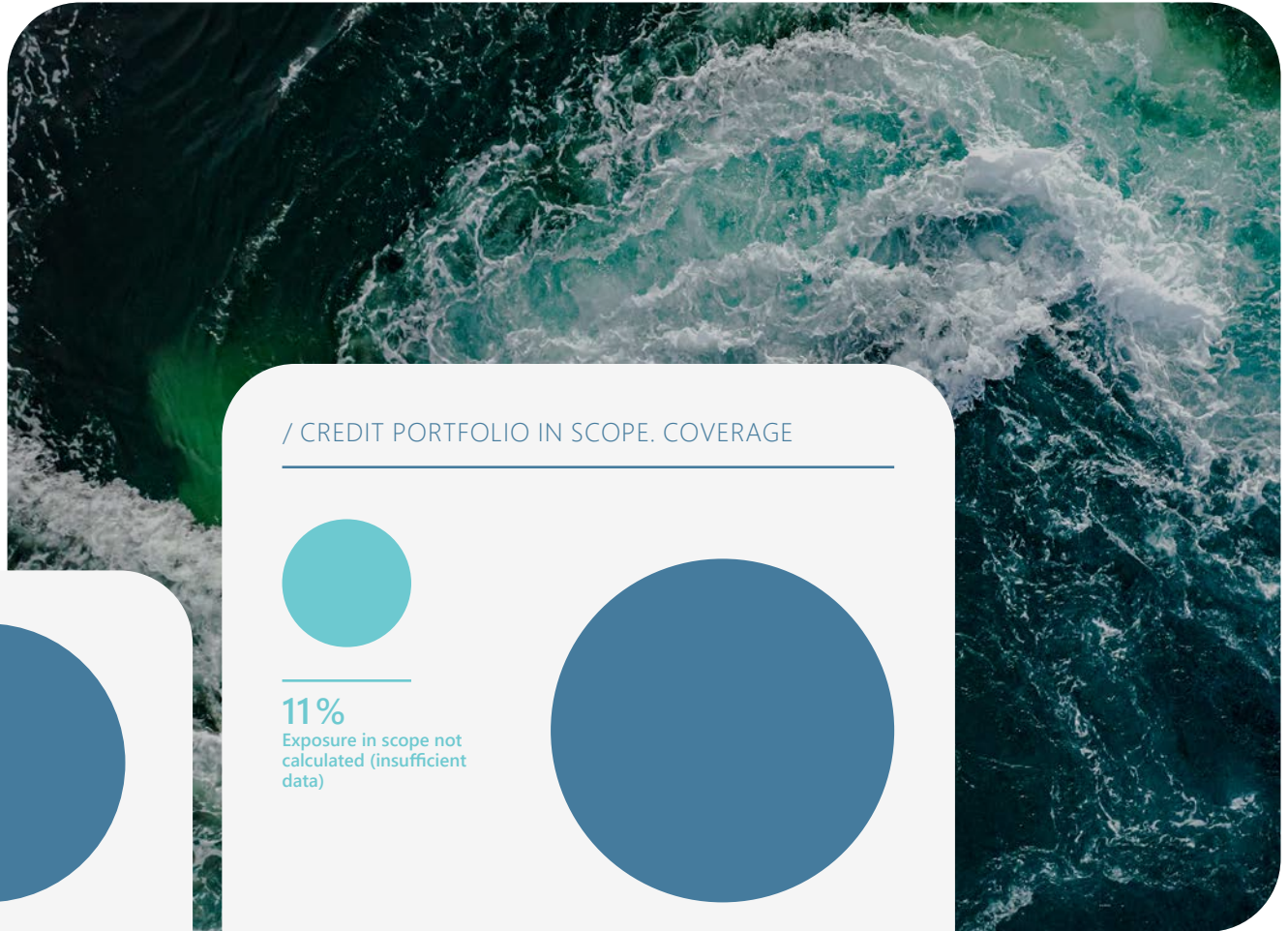


In all cases, the allocation of emissions financed by CaixaBank has been made on the basis of the attribution factor defined by PCAF for each type of asset and the best available data in each case.⁹³

For 2023, other Group companies specialising in financing, in addition to CaixaBank, S.A., were included in the calculation of financed emissions: CaixaBank Payments & Consumer and Banco BPI.

The calculation for the loan portfolio as at 31 December 2023 covers the following asset typologies⁹⁴:

- Mortgages
- Commercial properties (CRE⁹⁵)
- Corporate loans
- Project Finance
- Vehicle finance loans



⁹³ Appendix 1. Methodology for the calculation of financed emissions.

⁹⁴ In the case of CaixaBank Payments & Consumer, due to the nature of its activity, the assets in the calculation scope are only corporate loans and vehicle finance loans.

⁹⁵ Commercial Real Estate.

In addition, the financed emissions linked to the investment portfolio⁹⁶ (including corporate fixed income and equities) of both CaixaBank and BPI have been calculated.

GHG emissions from the finance and investment portfolio

2023⁹⁷ financial year

View by asset type	Exposure		Absolute emissions		Economic intensity
	Total portfolio exposure (€ million)	% calculated exposure	Emissions S1 + 2 (ktCO ₂ e)	S3 emissions (ktCO ₂ e)	Emission intensity S1 + 2 (tCO ₂ e/M€)
CRE	5,939	87.1%	80	-	15
Mortgages	124,656	98.6%	2,986	-	24
Business Financing	152,958	79.4%	28,741	50,071	237
Car loans	8,260	95.7%	1,767	-	224
Equities ¹	738	97.7%	5	19	7
Corporate fixed income	17,927	98.3%	261	658	15
Total	310,479		33,840	50,749	122

¹ Excluding investees and trading portfolio

Vision by sector (business financing) ¹	Exposure		Absolute emissions		Economic intensity
	Total portfolio exposure (€ million)	% calculated exposure	Emissions S1 + 2 (ktCO ₂ e)	S3 emissions (ktCO ₂ e)	Emission intensity S1 + 2 (tCO ₂ e/M€)
Oil & gas	6,785	76.6%	12,527	10,386	2,411
Power generation	15,156	93.2%	2,740	5,202	194
Transport	22,533	79.9%	2,668	9,530	148
Real estate business	18,704	78.2%	767	2,149	52
Cement	300	96.9%	397	138	1,365
Iron and Steel	2,141	91.9%	643	1,007	327
Agriculture (including livestock)	4,921	85.2%	2,385	1,952	569
Aluminium	492	90.4%	70	238	158
Coal ²	0.1	50.1%	36	0.1	765,304
Other non-intensive sectors	81,927	76.5%	6,508	19,469	104
Total	152,958		28,741	50,071	

¹ Includes both general purpose lending and specialised financing (Project finance).

² Industry classification (CNAE) 510, 520, 1910

Note: For CNAE codes 0510 and 0520 the new PCAF factors have been multiplied by almost 200 for CNAE 0510 and more than 13000 for CNAE 0520, with respect to the 2022 factors, which has meant a very notable increase in the economic intensity linked to this sector.

⁹⁶ Excluding investees and trading portfolio.

⁹⁷ Due to rounding, totals may vary slightly. CO₂e = CO₂ equivalent. Includes the following greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃.

View by asset type	Exposure		Absolute emissions		Economic intensity
	Total portfolio exposure (€ million)	% calculated exposure	Emissions S1 + 2 (ktCO ₂ e)	S3 emissions (ktCO ₂ e)	Emission intensity S1 + 2 (tCO ₂ e/M€)
Spain and Portugal	263,310	94.4%	20,593	35,679	83
Europe	31,479	66.9%	1,609	10,734	76
Rest of the world	15,689	39.8%	11,638	4,336	1,863
Total	310,479		33,840	50,749	

The total absolute financed emissions reported in 2023 are 84,588 ktCO₂e for a calculated exposure of €275,803 million (versus 70,331 ktCO₂e reported in 2022 for an exposure of €260,983 million). However, the data for the two years are not comparable due to the following aspects:

- They refer to different scopes. As mentioned above, the 2023 calculation includes CaixaBank, S.A., CaixaBank Payments & Consumer and BPI.
- A major change in the calculation process was introduced in the 2023 calculation with the update of the PCAF emission factors⁹⁸. These emission factors experienced a very considerable growth, especially for some specific economic activities (CNAE) whose intensity (tCO₂e/revenue) increased by a factor of 100, 1000 or more compared to the 2022 PCAF emission factors.
- The percentage of companies for which actual emissions data is used was increased.

It is important to note that, over time, financed emissions can be expected to fluctuate due to issues not linked to financial exposure but to other factors that impact the calculation, such as fluctuations in the value of companies, the availability of actual published carbon footprint data, improvements in the calculation process or changes in the PCAF emission factors.

In order to improve the quality and completeness of the results, during the first half of 2024, CaixaBank has focused its efforts on strengthening the calculation model by developing (in-house) a specific tool that integrates all the necessary information (from internal and external databases) for the calculation of financed emissions. This important development facilitates the management of financed emissions by enabling the calculation, monitoring and regular tracking of this key indicator on the path to carbon neutrality.



⁹⁸ PCAF published new emission factors dated March and September 2023. For the calculation of financed emissions 2023 the emission factors of September 2023 have been used.

Calculation considerations⁹⁹

- The calculation has been carried out from an operational control approach following the methodology developed by PCAF and described in the standard "The Global GHG Accounting and Reporting Standard for the Financial Industry (Part A). Second Edition".
- The latest financial and emissions data available for the companies in the CaixaBank, CPC and BPI portfolios was used in the calculation. For companies for which actual data is unavailable, the latest emission intensity factors (tCO₂e/M€ turnover) published by PCAF in March 2024, with a reference date of September 2023¹⁰⁰, have been used.
- Business financing (non-financial corporations): It covers loans for general corporate purposes (including SMEs) and project finance.
- The calculation of company value for the Corporate Finance and Fixed Income categories is the sum of equity and debt (book value) for both listed and unlisted companies.
- Mortgages and CRE: The calculation of emissions has been made taking into account:
 - Energy Performance Certificate (EPC) of the property
 - Emission intensity data (by type of building and geographical location) published by the Spanish Institute for the Diversification and Saving of Energy and CRREM (PCAF factors updated in September 2023).
- The calculation of the Scope 3 was performed for all the sectors comprising CaixaBank's portfolio. However, given the high risk of double counting of emissions for the calculation of Scope 3, the emissions intensity per million euros is only reported for Scope 1+2.

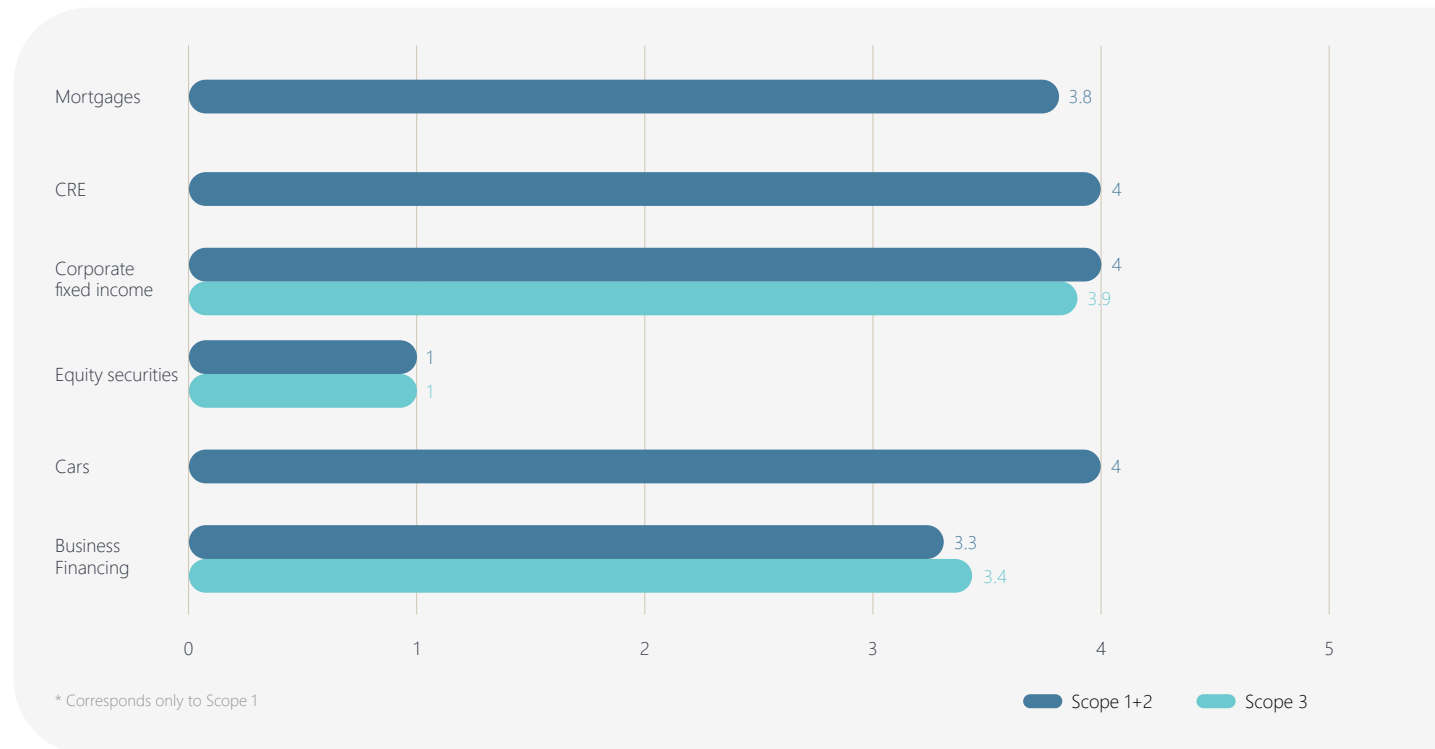
- Exclusions: No financed emissions have been calculated for assets with insufficient data, and exposure to credit institutions and sovereign risk are not part of the perimeter.

The calculation of the financed carbon footprint for the year 2023 was verified by the external auditor PwC¹⁰¹.

Score of the calculation

PCAF establishes a ranking of the quality of the data used in the calculations of financed carbon emissions¹⁰², with a score of 1 being assigned to the highest quality data (data published by companies and verified) and a score of 5 to the lowest quality data (sectoral estimates using emissions factors provided by PCAF).

The data quality score by asset type for the year 2023 calculation is as follows:



⁹⁹ Appendix 1. Methodology for the calculation of financed emissions.

¹⁰⁰ Explanatory note: The PCAF intensity factor is an indicator that measures the impact of greenhouse gas emissions associated with the economic activity of a sector. For CNAE code 35.20 "Distribution of electricity, gas, steam and air conditioning" an abnormally high value of the PCAF intensity factor has been detected (increase of 100000% compared to the previous year). To correct for this outlier, a conservative

approach has been applied which consists of using the highest emission factor within the "Electricity, gas & water" sector for the different geographies.

¹⁰¹ Limited assurance carried out in accordance with the International Standard on Assurance Engagements (NIEA3410).

¹⁰² For more details see The global GHG accounting & reporting standard for the financial industry.

Decarbonisation targets in line with NZBA and transition plans

Emissions accounting methodologies and climate science are new and rapidly advancing areas. The decarbonisation targets set by the Bank under its NZBA commitment are based on the best practices and data available at the time of their establishment. It is important to emphasise that the baseline of these metrics may undergo changes, as the sources of information and the methodology are continuously evolving. CaixaBank's commitment is to maintain the level of reduction ambition even though the *baselines* may be modified.

CaixaBank published its first decarbonisation targets for 2030 in October 2022 for the electricity generation and oil and gas sectors. During 2023 it published targets for the thermal coal, iron and steel and automotive sectors.

Finally, in April 2024 CaixaBank published decarbonisation targets for 2030 for 5 new sectors: Real estate (residential and commercial), shipping, aviation and agriculture. In addition, it has determined the non-materiality in terms of emissions of the aluminium and cement portfolios, sectors for which a portfolio monitoring strategy has been set.

With the publication of these latest targets, CaixaBank completes the phase of setting 2030 decarbonisation targets for the sectors prioritised by the NZBA commitment.

The targets have been established for the exposure of the credit and investment portfolio of CaixaBank, S.A. and Banco BPI.

The specific characteristics considered for each sector are detailed below.

Sector	Emissions scope	Metric	Scenario	Base year	Base year metric	Reduction target (2030)	Metric target (2030)	Considered risk
Electricity	1	Physical intensity	IEA Net Zero 2050 ¹⁰³	2020	136 kgCO ₂ e/MWh	-30%	95 kgCO ₂ e/MWh	Exposure (limit granted)
Oil and gas	1, 2, 3	Total financed emissions	IEA Net Zero 2050 ¹⁰³	2020	9.08 MtCO ₂ e	-23%	6.99 MtCO ₂ e	Exposure to risk
Automotive	3 ¹⁰⁴	Physical intensity	IEA Net Zero 2050 ¹⁰³	2022	154 gCO ₂ /vkm	-33%	103 gCO ₂ /vkm	Exposure (limit granted)
Iron and steel	1+2	Physical intensity	IEA Net Zero 2050 ¹⁰³	2022	1,230 kgCO ₂ e/t steel	-[10-20]%	1,107 – 984 kgCO ₂ e/t steel	Exposure (limit granted)
Thermal coal	N/A	Total exposure	N/A	2022	€2,845 M (€213 M taking into account mitigating factors ¹⁰⁵)	-100%	€0 M	Exposure to risk
Commercial Real Estate	1+2	Physical intensity	CRREM ¹⁰⁶ 1.5° CRE Iberian Peninsula	2022	20.5 kgCO ₂ e/m ²	-41%	12.1 kgCO ₂ e/m ²	Exposure (limit granted)
Residential Real Estate	1+2	Physical intensity	CRREM ¹⁰⁶ 1.5° CRE RRE Spain + Portugal	2022	23.57 kgCO ₂ e/m ²	-19%	19.03 kgCO ₂ e/m ²	Exposure (limit granted)
Naval	1	% of alignment ¹⁰⁸	IMO ¹⁰⁷ 2018	2022	AD% = 11.9%	-11.9 p.p.	AD% = 0%	Exposure to risk
Aviation	1	Physical intensity	MPPU ¹⁰⁹ 1.5°	2022	102 gCO ₂ /RKP	-30%	71 gCO ₂ /RKP	Exposure (limit granted)
Agriculture & livestock	Direct emissions ("on farm") + feed	Physical intensity	SBTi FLAG Commodity Pathways ¹¹⁰ 1.5°	2022	Qualitative objective focused on improving the knowledge and profiling of individual customers and the sector in general.		N/A	

¹⁰³ Net Zero by 2050. A Roadmap for the Global Energy Sector from May 2021.

¹⁰⁴ Scope 3 emissions, category 11 are covered: tank-to-wheel.

¹⁰⁵ Mitigating factors are considered to be commitments from phase-out <=2030 or only transition funding according to technical taxonomic criteria.

¹⁰⁶ [Carbon Risk Real Estate Monitor](#)

¹⁰⁷ International Maritime Organisation (IMO) scenario, in accordance with the [Poseidon Principles](#)

¹⁰⁸ Alignment Delta in accordance with the Poseidon Principles, excluding passengers.

¹⁰⁹ Mission Possible Partnership "Prudent" Scenario, according to [Pegasus Guidelines](#)

¹¹⁰ [Science Based Targets: Forest, Land and Agriculture](#)

Since the establishment of the first NZBA targets, CaixaBank has been actively managing its sectoral portfolios to ensure that the transition to the target is properly executed and that the committed targets are met. In this section, the reduction levers and other lines of action for the good development of the sector are outlined, as well as the trend in metrics for the electricity and oil and gas sectors.

However, given its nature, in order to achieve all the decarbonisation targets set, CaixaBank will have to leverage changes derived from government policies and environmental and climate regulations, in addition to changes in consumer behaviour, scientific developments and new technologies, as it is part of, and contributes to, the collective effort needed for the transition to a net-zero economy.

It is important to note that CaixaBank's vocation to accompany its customers in their transition process as a mechanism for achieving the decarbonisation of the economy means that the path of decarbonisation of the portfolio point by point may not be linear. Despite this, CaixaBank seeks to achieve a downward trend in its decarbonisation curves in its management, so that the target set for 2030 is met on time and on budget.

/ DRIVERS FOR TRANSITION

Measurement and monitoring:

- Determination of maximum emission intensity limits for new transactions and customers
- Calculation of metric estimates for the most recent portfolio positions for each sector
- Identification of the main reasons for changes

Control and admission policy:

- Implementation of red lines in risk approval through Sustainability Risk Policy
- Review and sanction of new operations

Engagement services:

- Assessment and ranking of the level of alignment with key customer sustainability indicators for each sector
- Setting strategies for the improvement of indicators
- Offering of transition support products and services

Electricity Sector

The starting point for the electricity sector (136 kg CO₂e/MWh) is much lower than that of most of the entities that have disclosed targets to date for this sector and is even below the IEA's 2030 target metric. This is because CaixaBank has been financing renewable energies for years (reflected, for example, in the issuance of 8 green bonds from 2020 to June 2024).

However, this low starting point implies a challenge in setting additional decarbonisation targets. The 30% reduction from a comparatively low starting point reflects CaixaBank's ambition to continue to support the transition and lead the way in financing renewable energy.

/ DESIGN OF THE POWER GENERATION TARGET

Key design decisions

01.

Value chain



02.

Emissions scope



03.

Emission metrics



04.

Selection of the path



- **Value chain:** focus on the segment of electric generation, a the part of the value chain where decarbonisation actions have the greatest impact in terms of reducing the sector's overall emissions. Integrated companies (active throughout the value chain) are also included.
- **Emissions scope:** Scope 1 captures most of the emissions from electricity generation. The remaining scopes are not included, as the materiality of Scope 2 is minimal, and Scope 3, while challenging to influence from creation, is addressed through objectives set for other sectors.
- **Metric:** intensity metric, which allows for growth in emissions efficient groups and comparison between customers of different sizes.
- **Reference path:** NZE 2050 of the International Energy Agency

For CaixaBank, the ultimate objective of its portfolio decarbonisation strategy in the electricity sector is to support its customers in their transition to a less emissions-intensive power generation mix, provided that they are committed to sustainability. This is the only way to achieve a decarbonised electricity sector. CaixaBank will thus help and incentivise the reduction of the emissions intensity of its customers' generation mix, which will consequently lead to a reduction in its own intensity metrics.

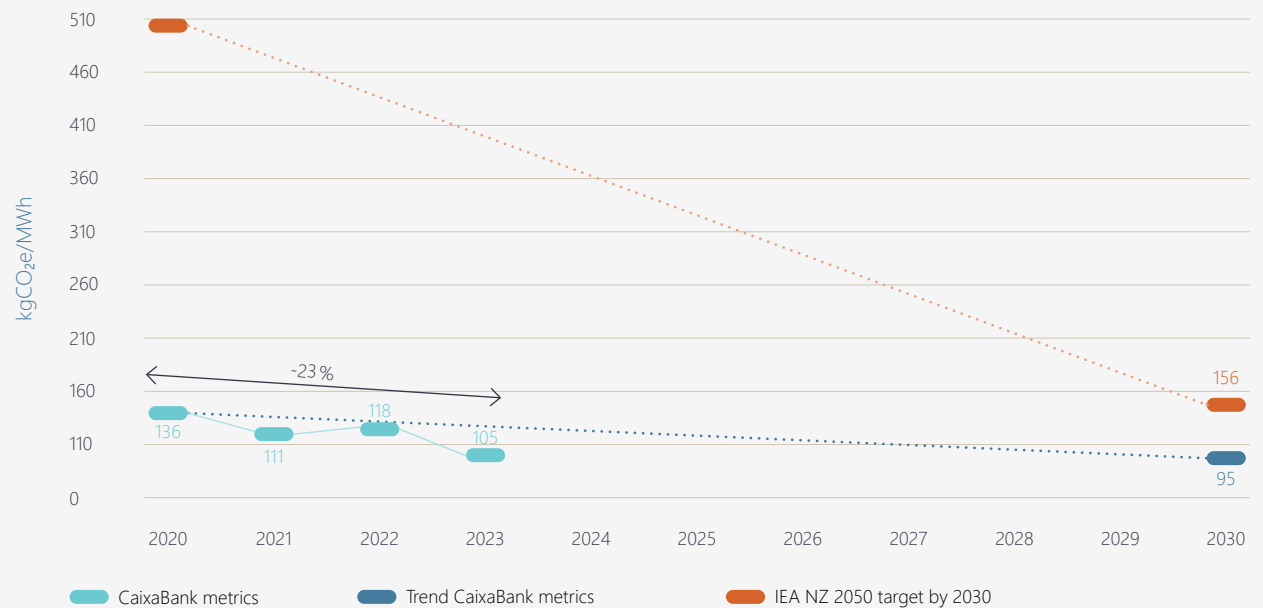
The main levers for the decarbonisation of the sector are related to the financing of renewable energies and engagement with strategic customers to offer them solutions that enable them to meet – or even accelerate – their decarbonisation plans. Additionally, the possibility of rebalancing the portfolio towards less emissions-intensive customers and, ultimately, the de-risking of certain counterparties not committed to the transition to a low-carbon economy is envisaged.

/ CAIXABANK'S 2030 TARGET

A carbon intensity metric reduction target of 30% is set for 2030, with the following characteristics:

136 Baseline 2020 (kgCO ₂ e/MWh)	95 Target level for 2030 (kgCO ₂ e/ MWh)	-30% Ambition to 2030 (%)
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/ ELECTRICITY SECTOR TREND IN METRICS



The trend of the metric with respect to the starting point, while not linear, is essentially favourable and 78% of the 2030 target has already been met. To assess the performance of the metric, it is also necessary to consider that the target set by CaixaBank is ambitious, as it is already well below the global target for the sector set by the IEA's NZE 2050 scenario. The scope for action has also been limited by the complex geopolitical environment for the energy sector.

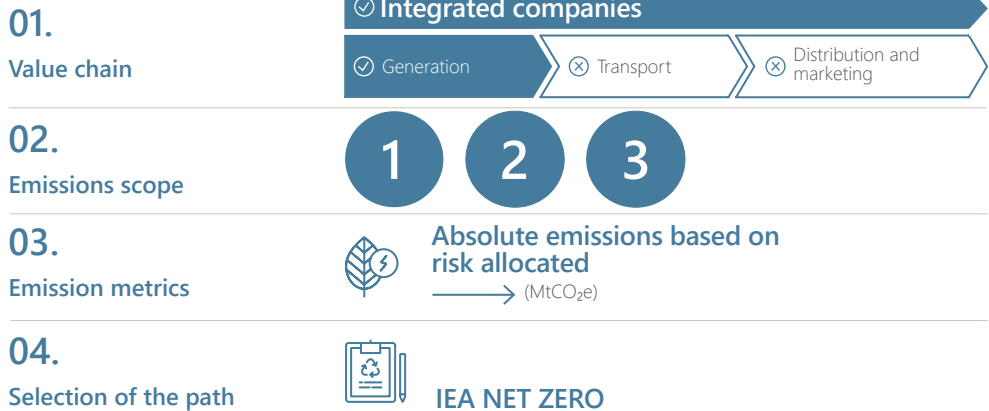
Oil and Gas Sector

The decarbonisation target based on absolute emissions metrics is in line with industry expectations. Decarbonisation of the oil and gas sector is expected to be driven by both improvements in energy efficiency and by direct replacement of these fuels as inputs for other processes (demand effect).

For the energy sector, the last few years have been atypical due to the impact on energy security of the global geopolitical situation. From the standpoint of lending activity, in 2022 this is reflected in an increase in exposure to O&G sectors focused on securing short/medium term energy supply. However, this increase in Oil and Gas financing, which responds to the current extraordinary situation, does not alter CaixaBank's commitment to decarbonisation in the medium and long term, but it is foreseeable that this increase will result in high volatility in the sustainability metric. This also implies that the 2020-based alignment target of 23% is in reality a much higher level of ambition than the 2020 baseline reflects.

/ DESIGN OF THE OIL AND GAS TARGET

Key design decisions



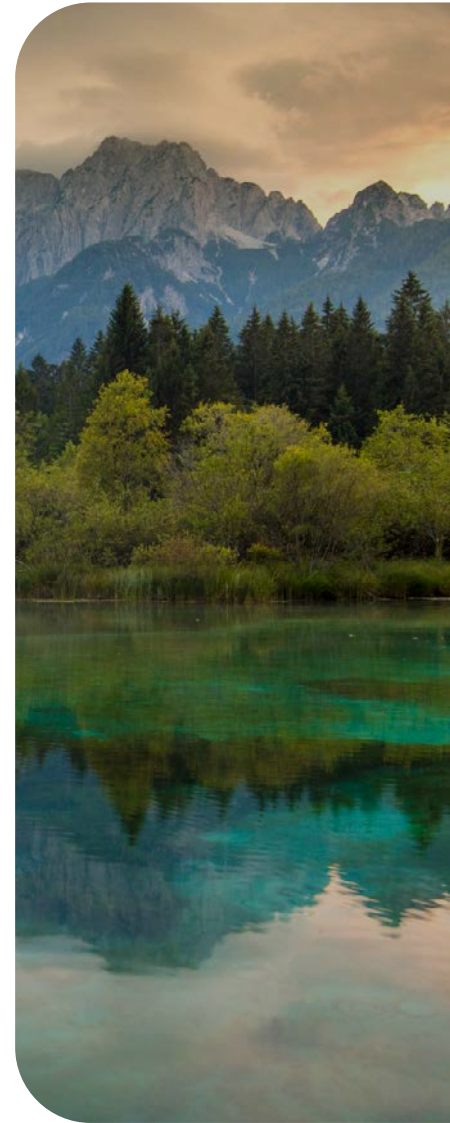
- **Value chain:** includes companies active mainly in upstream (exploration and extraction) and in downstream (refining, distribution and marketing) and integrated companies (active in the whole value chain). This perimeter captures most of the sector's emissions.
- **Emissions scope:** Scopes 1, 2, and 3 are included; in this sector, Scope 3 emissions are highly material. Approach in line with NZBA Guidance, stakeholder expectations and reference peers' practice.
- **Metric:** absolute risk-based issuance metrics provided to avoid the over-attribution of financed emissions that would result from basing it on the risk granted. This approach is consistent with the PCAF methodology and facilitates comparison with reference peers.
- **Reference path:** NZE 2050 of the International Energy Agency.

/ CAIXABANK'S 2030 TARGET

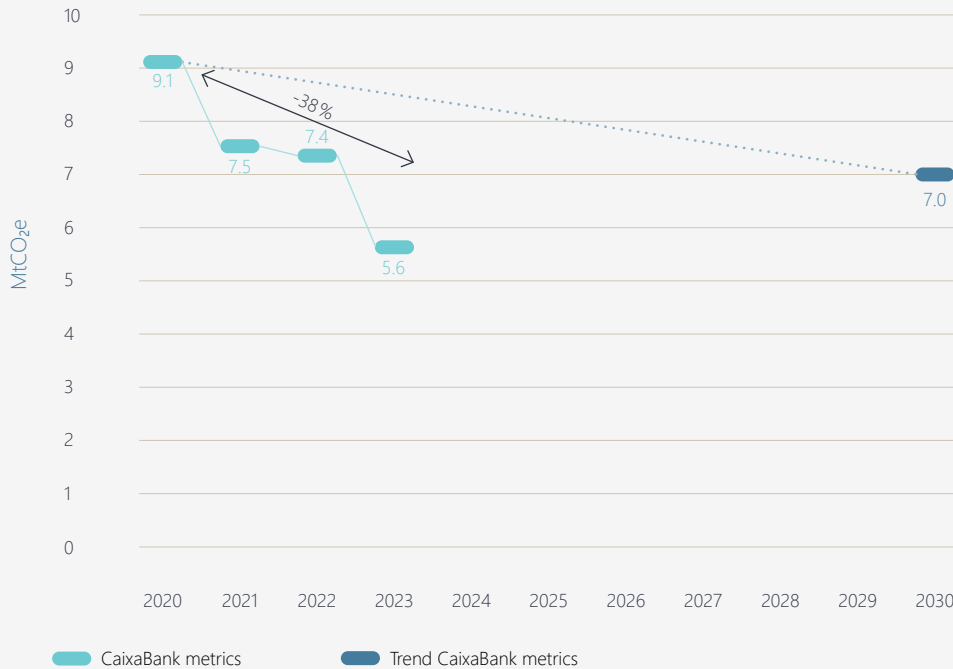
An absolute emissions reduction target of 23% by 2030 is set, with the following characteristics:

9.08	6.99	-23%
<small>Baseline 2020 (MtCO₂e)</small>	<small>Target level for 2030 (MtCO₂e)</small>	<small>Ambition to 2030 (%)</small>

The main levers for the reduction of absolute financed emissions are focused on engagement with key customers to boost their decarbonisation plans. It also looks at the gradual reduction of exposure to the most intensive activities and, ultimately, the de-risking of certain counterparties not committed to the transition to a low-carbon economy.



/ PERFORMANCE OF THE METRIC FOR THE OIL AND GAS SECTOR



The performance of the metric with respect to the baseline is favourable, decreasing in 2023 even beyond the 2030 target. However, it is important to note the volatility of the metric, due to its formulation on the basis of allocated exposure, so that a not necessarily linear performance is expected until 2030.

| Phase out of the coal sector

According to the UN Intergovernmental Panel on Climate Change (IPCC), to reach the Paris Agreement target of a maximum rise of 1.5°C, OECD countries would have to stop using coal altogether by 2030.

Coal phase-out target design

As thermal coal is one of the most emitting technologies that can be replaced by clean technologies, the focus of decarbonisation is on the Bank's full exposure to thermal coal. For this purpose, exposure is defined as the presence in the portfolio (including credit and investment of both CaixaBank, S.A. and BPI) of companies whose economic group is more than 5% dependent on thermal coal revenues.

At December 2022, the exposure to companies in this perimeter is EUR 2,845 million. However, most of this exposure is to counterparties with mitigating factors: counterparties to whom we only finance the energy transition or counterparties with their own thermal coal phase-out commitments before 2030.

🎯 / CAIXABANK'S 2030 TARGET

A target is set for phase-out by 2030, with the following characteristics:

2,845 Baseline 2022 (€MM)	0 Target level in 2030 (€MM)	-100% 2030 Ambition (%)
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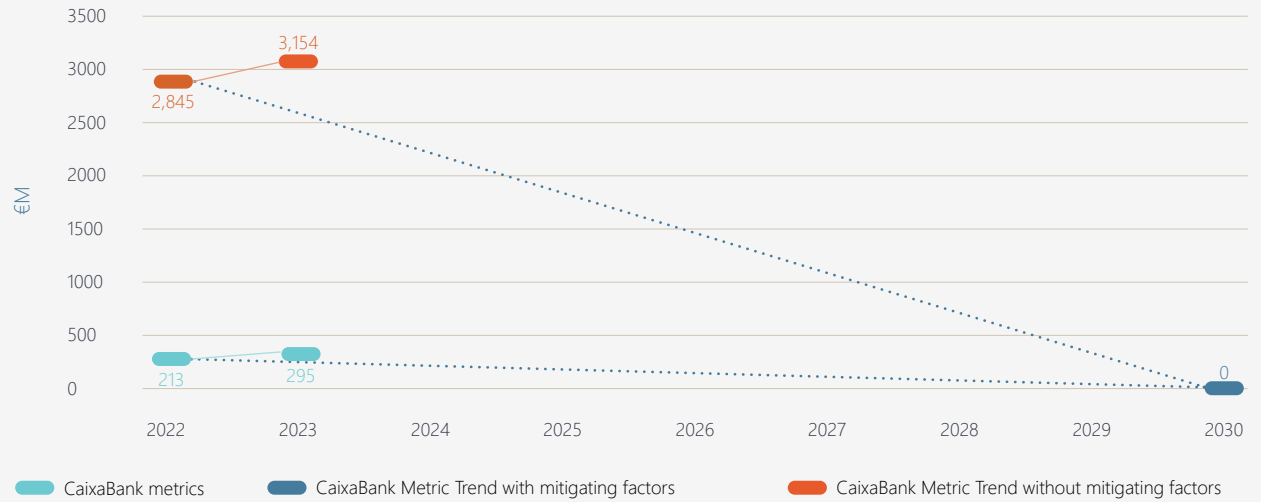
In line with IPCC guidelines, CaixaBank will stop financing thermal coal-related companies, reducing its exposure to zero until 2030 ("phasing out"). CaixaBank will continue to finance the energy transition to a carbon-neutral economy and support customers with an exit strategy from thermal coal by 2030.

As mentioned in previous editions, science agrees on the need for the complete elimination of the coal sector to transition towards a net-zero emissions economy. In July 2023, CaixaBank announced its commitment to phase-out of coal by 2030: CaixaBank will stop financing companies related to thermal coal¹¹¹, reducing its exposure to zero until 2030 ("phase-out"). In line with its ambition to be a benchmark for sustainability in Europe, CaixaBank continues to make progress in setting decarbonisation targets in line with its commitment as a founding member of the Net-Zero Banking Alliance, while aligning itself with the recommendation of the United Nations Intergovernmental Panel on Climate Change (IPCC) to limit the increase in global temperature to a maximum of 1.5°C. CaixaBank will continue to finance the energy transition to a carbon neutral economy and support customers with an exit strategy from thermal coal until 2030.

"In line with its commitment, the Bank's transition plan for this sector includes not admitting or renewing positions and/or transactions with customers related to thermal coal upon maturity. Ultimately, unmaturing positions with these companies will be sold to ensure zero exposure to these types of clients by 2030.

The trend of the metric with respect to the baseline is slightly upward due to data quality issues. However, CaixaBank remains fully committed to the target of phasing out by 2030.

/ PERFORMANCE OF THE COAL SECTOR METRIC



¹¹¹ Customers whose revenues from thermal coal mining and/or thermal coal-fired power generation account for more than 5% of their total revenues.

Automotive sector

One of the sectors prioritised by the NZBA as CO₂ intensive is the transport sector. Given the heterogeneity of activities that make up the sector and following best practice in target setting, it has been decided to divide this sector into 3 sub-sectors: Automotive, aviation and shipbuilding.

The automotive sector accounts for a significant percentage of CaixaBank's loan portfolio and a concentration of financed emissions (approx. 15% of total financed emissions for the transport sector as a whole in 2021). There are also methodologies and scenarios for calculating decarbonisation targets.

The target has been set at the consolidated level, including the exposure of CaixaBank's and BPI's lending and investment portfolios.

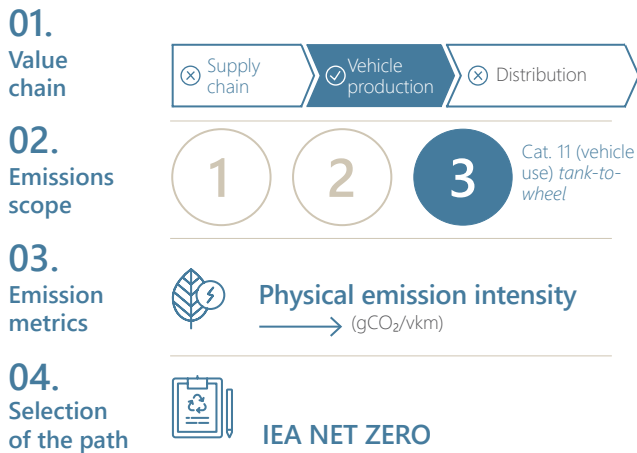
This metric supports the transition of the sector, in line with CaixaBank's Strategic Plan.

- **Value chain:** focus on the segment of Original Equipment Manufacturers (OEMs) of light vehicles (passenger cars and vans), which are the main focus of European decarbonisation initiatives in the sector.
- **Emissions scope:** Scope 3 category 11 (vehicle use) emissions tank-to-wheel are included in the target, i.e. emissions produced by the use of the vehicle throughout its lifetime; these are by far the most relevant emissions in the sector's value chain.
- **Metric:** intensity metric, which describes the emissions efficiency per km driven over the vehicle's lifetime, expressed in gCO₂/vkm.
- **Reference path:** NZE 2050 of the International Energy Agency.

The priority for the decarbonisation of the sector is related to the production of a more energy and emissions efficient vehicle fleet, with the increased production of electric vehicles being the main vector to achieve this goal. However, for electric vehicles to continue to gain prominence, there must be steps forward in public policy, in the implementation of new infrastructure and in innovation in technologies. Furthermore, until the full electrification of the vehicle fleet is achieved, decarbonisation of the sector can start with the development of more efficient technologies in internal combustion vehicles and the use of renewable and synthetic fuels that generate less carbon emissions. Taking all of this into account, CaixaBank is working to achieve the decarbonisation goal in this sector through engagement with customers, financing specific projects aimed at the production of more efficient or electric vehicles, and even through rebalancing the portfolio towards clients with lower emissions intensity.

/ DESIGN OF THE AUTOMOTIVE TARGET

Key design decisions



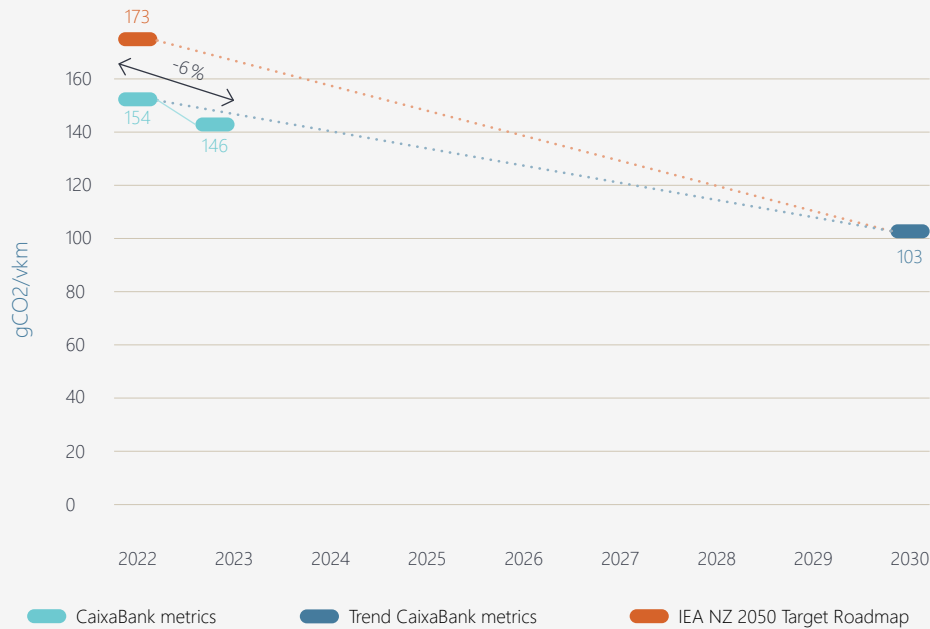
/ CAIXABANK'S 2030 TARGET

An intensity metric reduction target of 33% is set for 2030, with the following characteristics:

154.1 Baseline 2022 (gCO ₂ /vkm)	103.1 Target level for 2030 (gCO ₂ /vkm)	-33% Ambition to 2030 (%)
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/ PERFORMANCE OF THE METRIC FOR THE AUTOMOTIVE SECTOR



The reduction observed in the intensity metric in the automotive sector is in line with meeting the target set for 2030 and in 2023. CaixaBank will continue to work to reduce the metric until 2030.

Iron and Steel Sector

Given the relatively low exposure to this sector and its high concentration in a few counterparties, the current technological limitations of a hard-to-abate sector and the uncertainty of changing methodologies and scenarios, a target in the form of a range has been chosen for the iron and steel sector.

CaixaBank acknowledges the difficulty implicit in the decarbonisation of this sector, which leads to a certain level of prudence in terms of the margin for managing the decarbonisation of the portfolio. However, CaixaBank is also aware of the existence of certain levers for decarbonising its portfolio, which depend substantially on the ambition of its main customers. Through engagement processes and portfolio rebalancing, CaixaBank will pursue an intermediate target compatible with the 1.5°C objective. Thus, the range set (reduction of between 10% and 20%) shows CaixaBank's ambition, given that it incorporates, in its low range, the target level determined by the IEA's NZE.

/ IRON AND STEEL TARGET DESIGN

Key design decisions

01.

Value chain



02.

Emissions scope



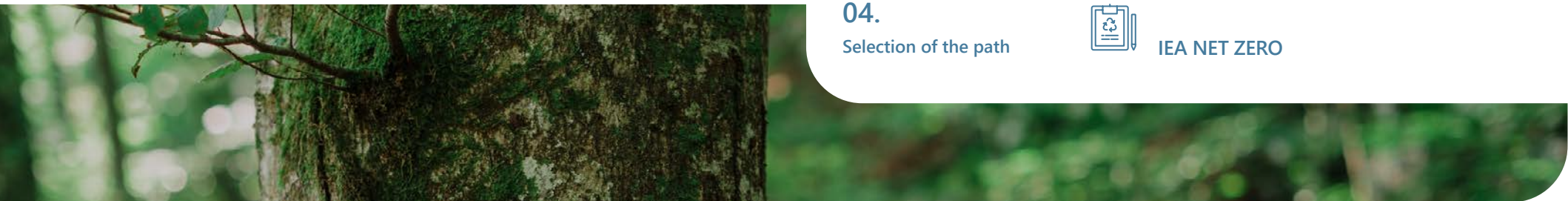
03.

Emission metrics



04.

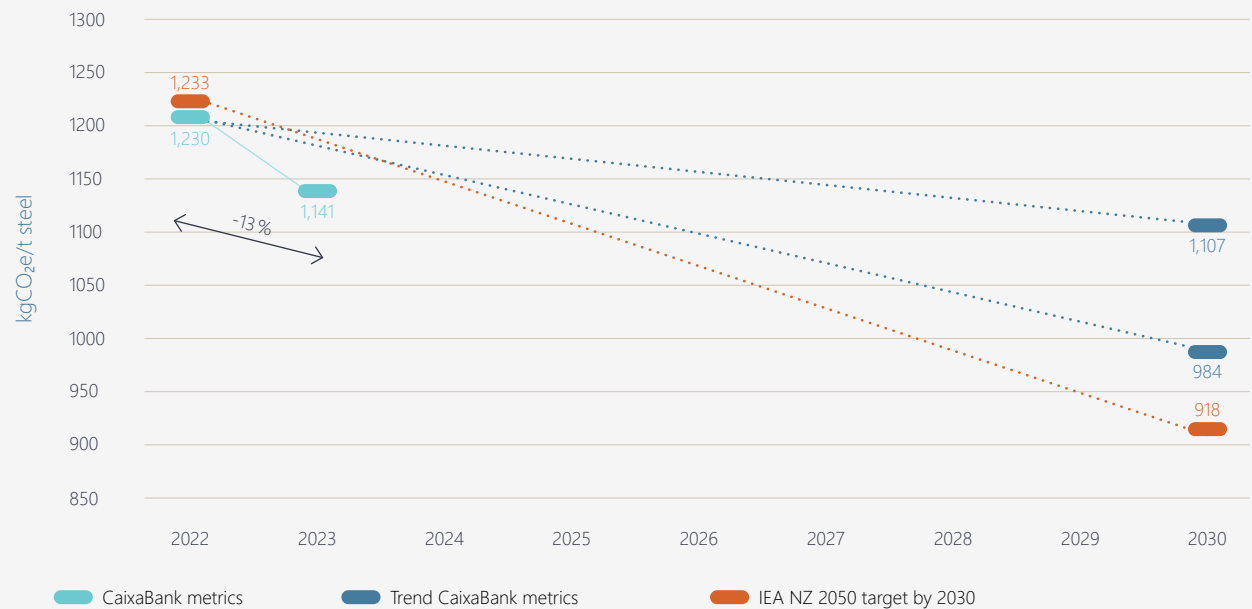
Selection of the path



The methodology, consistent with market best practices and the Sustainable Steel Principles, considers a Scope 1 and 2 emissions intensity metric per tonne of steel produced. In this sector, the production process is particularly intensive, so that emissions from the use of the final product and its upstream supply chain are less relevant in comparison.

- **Value chain:** the iron and steel manufacturing segment, including foundries and integrated groups (smelting + transformation); smelting is the stage that concentrates most of the emissions from manufacturing.
- **Scope:** Scopes 1 and 2 are the relevant emissions in the production process; the use of the final product and its upstream supply chain are of limited relevance in terms of relative emissions.
- **Metric:** Emissions intensity per tonne of steel produced expressed in kgCO₂e/t steel.
- **Reference path:** NZE 2050 of the International Energy Agency.

/ PERFORMANCE OF THE METRIC FOR THE IRON AND STEEL SECTOR

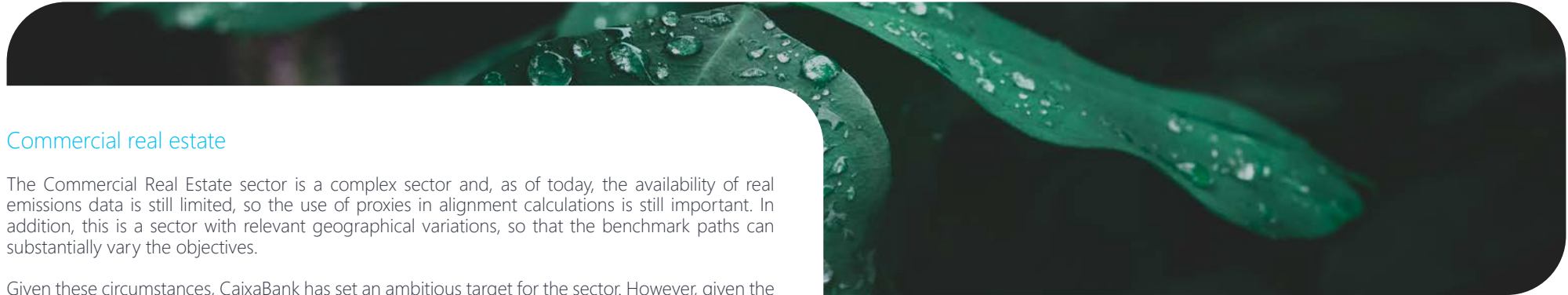


/ CAIXABANK'S 2030 TARGET

A reduction target for the intensity metric to 2030 is set as a range between 10% and 20%, with the following characteristics:

1,230 Baseline 2022 (kgCO ₂ e/t of steel)	1,107-984 2030 target level (kgCO ₂ e/t of steel)	-10%-20% 2030 Ambition (%)
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The reduction observed in the intensity metric in the iron and steel sector is in line with meeting the ambitious target set for 2030. CaixaBank will continue to work to reduce the metric until 2030.



Commercial real estate

The Commercial Real Estate sector is a complex sector and, as of today, the availability of real emissions data is still limited, so the use of proxies in alignment calculations is still important. In addition, this is a sector with relevant geographical variations, so that the benchmark paths can substantially vary the objectives.

Given these circumstances, CaixaBank has set an ambitious target for the sector. However, given the limited availability of real information for portfolio assets in this sector, priority will be given in the short term to improving the availability of EPCs and information on the emissions of portfolio assets.

It is important to note that meeting the target set will be conditional on meeting the efficiency and energy mix projections included in the current PNIEC¹¹² and other related projections (draft future PNIEC, Fit for 55, etc.).

/ DESIGN OF THE COMMERCIAL REAL ESTATE TARGET

Key design decisions



- **Value chain:** the target focuses on decarbonising the "use" phase of the building, where 85% of greenhouse gas emissions are produced: Owner (groups with non-residential activity).
- **Emissions scope:** Scope 1, direct emissions from fuel combustion in the building (e.g. heating) and Scope 2, indirect emissions from purchased energy (electricity, steam, heat and cooling).
- **Metric¹¹³ :** Physical intensity (kgCO₂e/m²), which incentivises exposure to relatively more emission-efficient assets and facilitates comparison between assets of different sizes.
- **Reference path:** CRREM 1.5° REC scenario adapted to the proportions by asset type of the non-residential stock in Spain and Portugal.

CAIXABANK'S 2030 TARGET

An intensity metric reduction target of 33% is set for 2030, with the following characteristics:

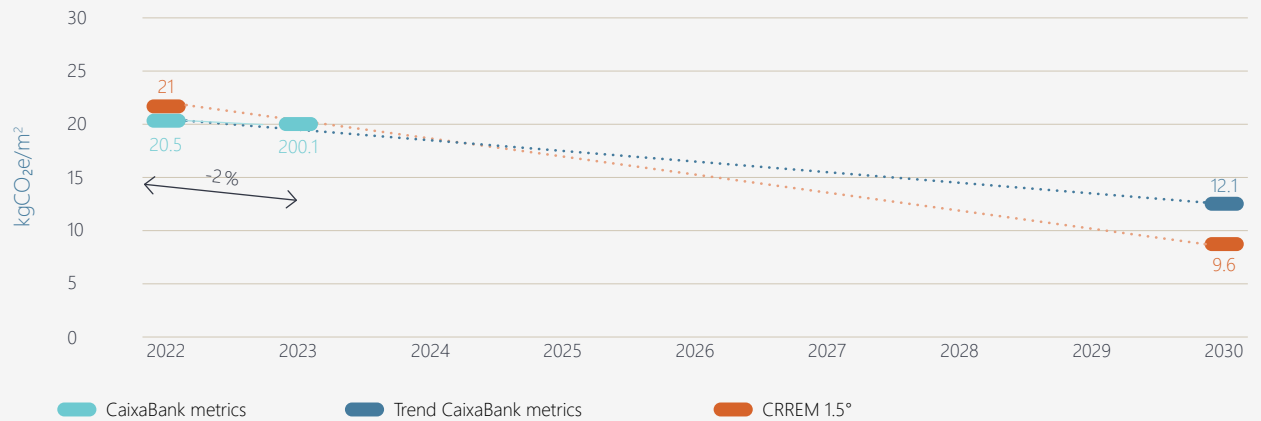
20.5	12.1	-41%
<small>Baseline 2022 (kgCO₂e/m²)</small>	<small>Target level in 2030 (kgCO₂e/m²)</small>	<small>Ambition to 2030 (%)</small>

¹¹² "National Integrated Energy and Climate Plan"

¹¹³ CO₂e=CO₂ equivalent. Includes the following greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃.

Decarbonisation of the commercial real estate sector can occur through the entry of new buildings with more favourable energy certifications into the real estate stock or through an improvement of the existing stock. Improvements through this second channel can be achieved through better thermal insulation resulting from the renovation of building facades, windows and roofs, the introduction of solar panels or the replacement of heating/cooling systems with more energy-efficient systems. The first step towards activating the decarbonisation levers of CaixaBank's financed footprint in this sector is to make efforts to improve the disposal of Energy Performance Certificates (EPC) and information on the emissions of its portfolio assets. With better disposal of information, the levers to decarbonise the commercial real estate portfolio will be the financing of new buildings with better energy ratings and of retrofit projects to improve the energy efficiency of the existing building stock.

/ PERFORMANCE OF THE METRIC FOR THE COMMERCIAL REAL ESTATE SECTOR



The commercial real estate metrics remain reasonably constant between 2022 and 2023. This is consistent with the fact that the metrics are constructed with a high level of proxies. CaixaBank therefore continues to work to improve the quality of the portfolio data.

Residential real estate

Given the characteristics of the residential real estate segment, its social implications, long maturity periods and dependence on exogenous levers for its transformation (regulatory requirements and public support for energy efficiency improvements), the target set for the Residential Real Estate Sector is not initially aligned with the CRREM reference path.

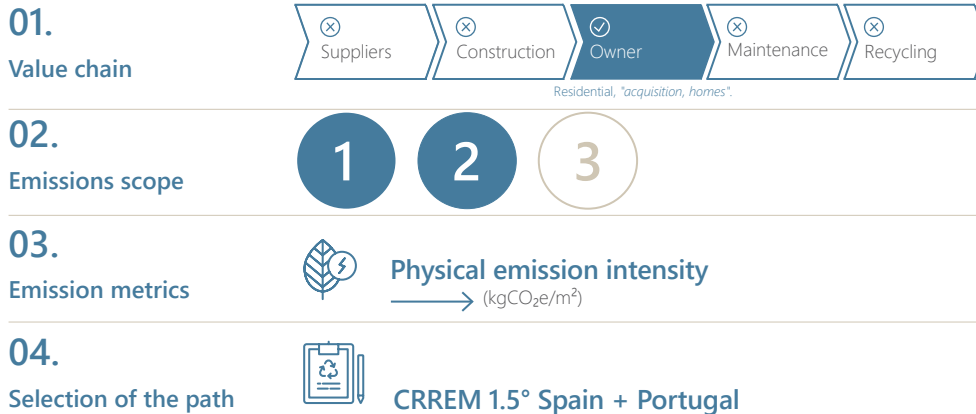
CaixaBank should leverage the changes arising from government policies and environmental and climate regulations, as well as changes in consumer behaviour, forming part of and contributing to the collective effort required for the transition to a net-zero emissions economy. Specific products are also being launched to finance energy-efficient renovations.

- **Value chain:** The focus is on housing use: mortgage credit for individuals with the purpose of "home purchase". This is where 85% of the emissions in the residential real estate value chain are concentrated.
- **Emissions scope:** Scope 1 (direct emissions from residential combustion, e.g. heating) and 2 (indirect emissions from purchased energy consumption) account for most of the emissions; Scope 3 emissions are very limited.
- **Metric:** Physical intensity ($\text{kgCO}_2\text{e}/\text{m}^2$), which incentivises exposure to relatively more emission-efficient assets and facilitates comparison between assets of different sizes.
- **Reference path:** CRREM¹¹⁴ 1.5°C for Spain and Portugal, specific to the real estate sector for the EU.

Similar to the commercial real estate sector, decarbonisation of the residential sector will occur through the refurbishment of existing housing stock and the construction of new buildings with more efficient energy ratings. Similarly, in order to activate the decarbonisation levers of the financed footprint in this sector, CaixaBank must make efforts to improve the accessibility of EPCs and information on building emissions. As mentioned, the particular social sensitivity of this sector means that the Bank's actions to reduce emissions intensity are very limited. On the contrary, CaixaBank must support government initiatives and regulations in order to achieve the goal set, forming part of and contributing to the collective effort for the transition towards a net zero emissions economy.

/ DESIGN OF THE RESIDENTIAL REAL ESTATE TARGET

Key design decisions



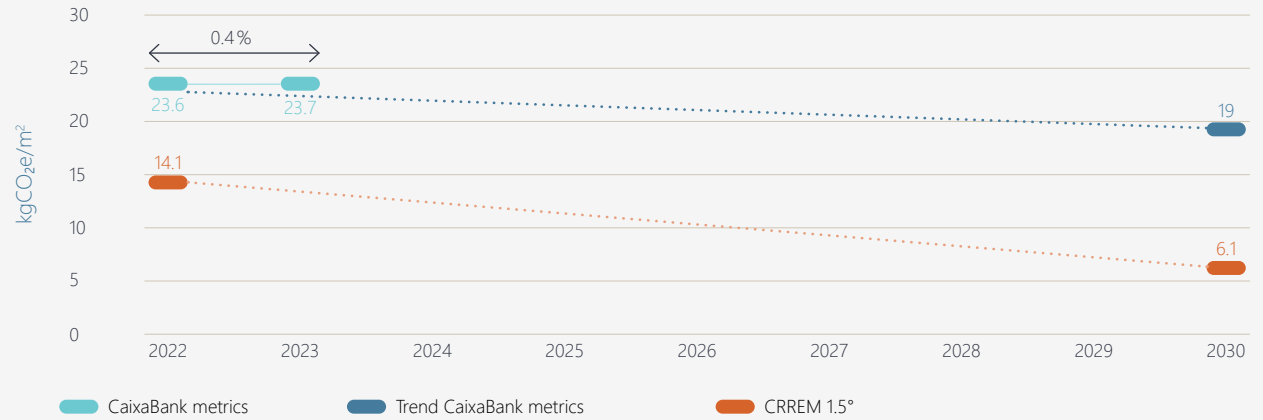
/ CAIXABANK'S 2030 TARGET

A carbon intensity metric reduction target of 19% is set for 2030, with the following characteristics:

23.57 Baseline 2022 ($\text{kgCO}_2\text{e}/\text{m}^2$)	19.03 Target level in 2030 ($\text{kgCO}_2\text{e}/\text{m}^2$)	-19% Ambition to 2030 (%)
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¹¹⁴ Carbon Risk Real Estate Monitor, an EU benchmarking initiative funded by the European Commission.

/ PERFORMANCE OF THE METRIC FOR THE RESIDENTIAL REAL ESTATE SECTOR



The residential real estate metric remains broadly constant since the base year. This performance is consistent with the fact that the reduction of the metric depends significantly on the change of the energy mix.

Naval Sector

The calculation of the target for this sector has been carried out in line with the methodology of the Poseidon Principles, to which CaixaBank adhered in 2022.

The Alignment Delta (AD%) for NZBA (11.9%) is the one published in the Poseidon Principles report for cargo vessels; the target perimeter excludes passenger vessels (fast ferries and cruise ships) for the time being due to methodological inconsistencies and errors in the alignment paths being assessed globally in the framework of the Poseidon Principles.

The target design for this sector will be further refined within the framework of the Poseidon Principles.

/ DESIGN OF THE NAVAL SECTOR TARGET

Key design decisions



- **Value chain:** the segment to decarbonise is the Owner/Operator segment (port to port cargo transfer), since "use" concentrates most of the emissions (approx. 92% of all value chain emissions).
- **Emissions scope:** Scope 1, emissions from fuel consumption during navigation. These are the most material emissions in the sector and are currently covered by the Poseidon Principles.
- **Metric:** Alignment Delta (AD%), a metric that defines the degree to which the carbon intensity of a ship or portfolio of ships is aligned with the underlying decarbonisation trajectory for each asset typology that meets the International Maritime Organisation (IMO) target.
- **Reference path:** IMO's initial scenario (2018), aligned with the 2°C target, which aims for a 50% reduction in emissions in 2050 compared to the 2008 base year. The pathway is currently in the process of being updated under the Poseidon Principles.

CAIXABANK'S 2030 TARGET

An AD% reduction target of 11.9% by 2030 is set, with the following characteristics:



Decarbonisation in the shipbuilding sector will go hand in hand with the implementation of clean propulsion technologies (such as electric engines or the use of wind or solar energy) and cleaner alternative fuels (such as liquefied natural gas, biofuels or ammonia). Furthermore, the recent inclusion of this sector in the EU Emissions Trading Scheme (EU ETS) should accelerate the deployment of these cleaner technologies. In this regard, CaixaBank's main lever to decarbonise the naval sector portfolio will be engagement with clients to promote the use of more efficient ships and technologies. The gradual reduction of exposure to assets less aligned with the Poseidon Principles is also considered, as well as the derisking of certain exposures.





Aviation

The calculation of the target for this sector was carried out in line with the Pegasus methodology, a standard to which CaixaBank has adhered.

Initially, the scope focuses on corporate financing to airlines, excluding asset finance and lessors, due to the limited availability of technical data at the individual asset level. Aircraft type, type of cargo, flight hours, fuel type.

CaixaBank will extend the scope of the metric to these assets as the information becomes available, so it is foreseeable that the baseline and the target level will also be adapted.

/ AVIATION TARGET DESIGN

Key design decisions



- **Value chain:** the segment to decarbonise is that of the owner/operator (passenger/cargo transport and airlines), as the majority of greenhouse gas emissions in the sector (>90%) are concentrated in the aircraft operation phase.
- **Emissions scope:** Scope 1 (approach tank-to-wake): emissions from in-flight fuel consumption. These are by far the most significant emissions in the value chain.
- **Metric:** Physical intensity (gCO₂e/RPK¹⁵) describing greenhouse gas issuances per kilometre travelled in the year (passenger approach).
- **Reference path:** Mission Possible Partnership "Prudent" Scenario 1.5° (MPPU 1.5°), aligned with the Pegasus methodology.

🎯 / CAIXABANK'S 2030 TARGET

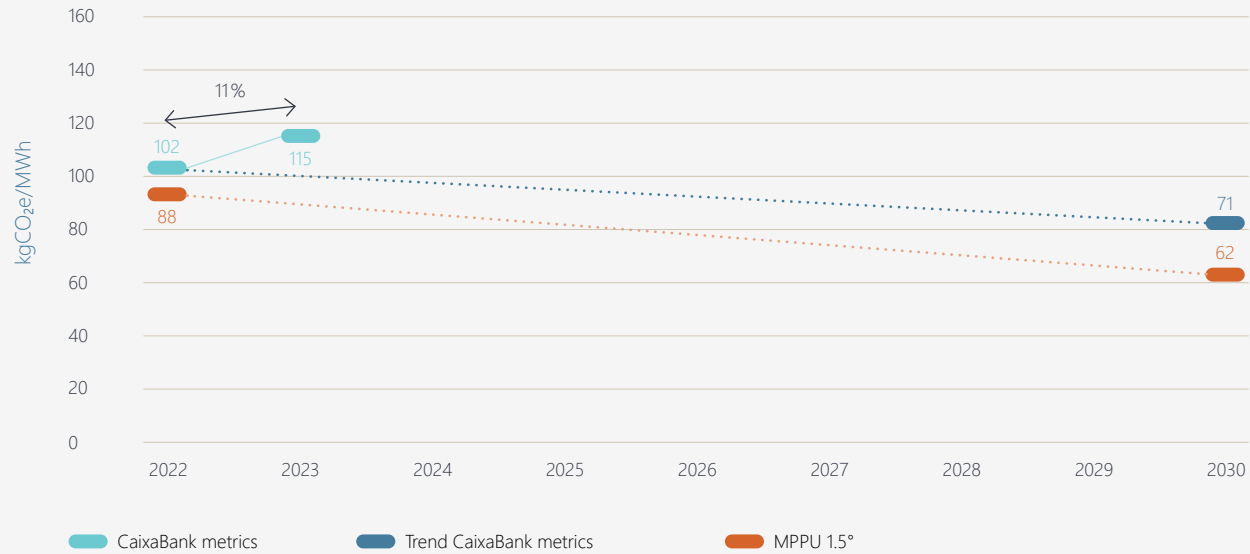
An AD% reduction target of 11.9% by 2030 is set, with the following characteristics:



The priority for the decarbonisation of the aviation sector is the use of sustainable fuels (SAF) and the implementation of more efficient technologies in aircraft. In this regard, CaixaBank's levers to decarbonise the aviation portfolio will be engagement with customers to promote the implementation of cleaner technologies and the renewal of the fleet with more efficient aircraft, as well as the potential reduction of certain positions.

¹⁵ RPK = revenue passenger kilometres; number of revenue passengers per kilometre. Its equivalent in tonnes is RTK (revenue tonne kilometres).

/ AVIATION SECTOR TREND IN METRICS



The aviation metric increases slightly due to the cancellation of some less intensive routes. However, as explained in previous paragraphs, work is underway to include the other relevant assets in the metric, which will entail changes in forthcoming publications.

Agricultural sector

In order to set a decarbonisation target for this sector, CaixaBank has carried out an exhaustive analysis of its agricultural and livestock portfolio, which has enabled it to:

- Understand and segment the structure of the portfolio in terms of materiality and carbon intensity.
- Identify the main information gaps.
- Understand the heterogeneity of the trends for each of the products in the portfolio.

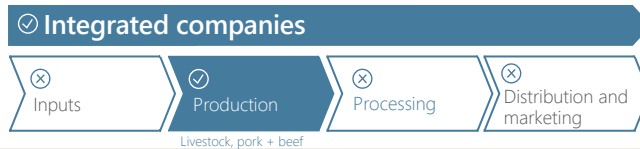
Given the limited maturity of global methodologies and the low availability of homogeneous and comparable data, it is currently not prudent to set a quantitative target.

- **Value chain:** the production segment is the most emission-intensive. Within this, in CaixaBank's portfolio, livestock – mainly pigs and cattle – accounts for most of the emissions in this portfolio. Conceptually, integrated companies in this sector (processing/distribution and production) are included in the target.
- **Emissions scope:** Includes "on-farm" emissions (enteric fermentation, manure management and energy consumption) and feed (feed production), the majority of emissions in this sector¹⁶.
- **Metric:** Physical intensity (kgCO₂e/ kg meat), aligned with the SBTi FLAG methodology.
- **Reference path:** SBTi FLAG Commodity Pathways 1.5°C, scenario with sufficient detail and aligned with the 1.5°C target.

/ DESIGN OF THE AGRICULTURAL SECTOR OBJECTIVE

Key design decisions

01. Value chain



02. Emissions scope

Direct emissions ("on farm") + feed

03. Emission metrics



04. Selection of the path



/ CAIXABANK'S 2030 TARGET

A qualitative target was set, focused on improving the understanding and profiling of individual customers and the sector as a whole. A specific work plan was launched, including a process of engagement with the main customers in the pork and beef livestock industry with different milestones in order to have more detailed information on these customers in the next 12 months:

Action Plan 2024

- | | | |
|---|---|---|
| <p>1 </p> <ul style="list-style-type: none"> • Identification of key customers and questionnaire of issues to be addressed • Setting of internal goals | <p>2 </p> <ul style="list-style-type: none"> • Meeting plan • Setting measurement goals with customers | <p>3 </p> <ul style="list-style-type: none"> • End of the financial year and evaluation of results • Re-evaluation of a quantitative objective |
|---|---|---|

¹⁶ Due to the idiosyncrasies of the agricultural sector, the differentiation of Scopes 1, 2 and 3 is analytically less useful than in other sectors. For this reason, in the context of farms, the terms direct emissions and indirect emissions are used.

Cement and Aluminium Sector

No targets are set and the NZBA materiality of exposure to these sectors will be monitored on a monthly basis.

/ CAIXABANK'S 2030 TARGET

The Bank has an overall exposure to the cement and aluminium sectors which, both in terms of credit exposure and absolute financed emissions, does not exceed 1% of the Bank's total corporate loan profile portfolio. Due to the non-materiality of these sectors in NZBA, it has been determined:

- Do not set decarbonisation targets for the cement and aluminium sectors.
- Establish a monitoring and contingency plan:
 - Monitoring a relative exposure metric: should the individual exposure of any of the sectors represent more than 1% of the total portfolio of non-financial companies for three consecutive months, the Bank will consider setting the Net Zero target.

Governance of decarbonisation targets

The decarbonisation targets have been approved by the governance bodies and performance is monitored on a monthly basis by the Sustainability Committee and the Global Risk Committee. Additionally, both the Management Committee and the corresponding governing bodies (Appointments and Sustainability Committee, Risk Committee) are informed annually on the trend in metrics. At the operational level, groups have been set up for the different business areas which meet weekly to assess the suitability of operations with an impact on NZBA metrics based on annual management objectives. The groups include members from the areas of Environmental Risk Assessment, Risk Management Function, Business Operations and Climate Risk.

Operational carbon footprint and decarbonisation targets¹⁷

The CaixaBank Group calculates its carbon footprint in order to identify areas of action and establish an action plan with initiatives aimed at progressively reducing it. The emissions considered within each of the CaixaBank Group's scopes are as follows:

- **Scope 1:** Includes direct emissions from the combustion installations of own-use buildings, fuel for the vehicle fleet and refrigerant gases.
- **Scope 2:** Includes indirect emissions related to the production of electricity, purchased and consumed by the Group's buildings.
- **Scope 3:** Includes other indirect emissions. The CaixaBank Group includes categories 3.1 Purchases of goods and services, 3.2 Purchases of capital goods, 3.3 Fuel and energy-related activities and 3.6 Corporate travel, which are the categories that have been determined to be material in the materiality assessment of the Scope 3 categories in the carbon footprint.
 - Materiality assessment categories Scope 3.



In 2022, the Group conducted a materiality assessment with the objective of determining the relevance of indirect GHG emissions categories (Scope 3), in order to establish the operational limits to be included in the Group's carbon footprint in the coming years. The scope of the materiality assessment included 16 Group companies representing 99.4% of the CaixaBank Group's employees. The analysis shows that the only relevant category in this scope, with a weight of 99% of total Scope 3 emissions, is category 3.15, corresponding to financed emissions.

However, the following categories were also defined as materials, considering both their associated emission volumes and the possibilities to influence the control and reduction of emissions.

- 3.1 Purchase of goods and services
- 3.2 Purchase of capital goods
- 3.3 Fuel and energy-related activities
- 3.6 Corporate travel

Based on the conclusions of the materiality assessment, a new perimeter was defined for calculating the operational carbon footprint that includes all emissions in the categories defined as material for the entire Group¹⁸, excluding those that are not material.

¹⁷ CaixaBank S.A.'s carbon footprint and offsetting actions are reported transparently in the CaixaBank 2023 Executive Carbon Footprint Report.

¹⁸ This represents 99.4% of the Group's total workforce.

In this respect, the reduction targets for the period 2022-2024, were set for the financial year 2021 considering the perimeter prior to the materiality analysis. Thus, in order to assess the degree of compliance with the objectives of the 2022-2024 Environmental Management Plan, the calculation of the Operational Carbon Footprint with the old perimeter should be considered.

Both Scope 1 and 2 emissions and Scope 3 emissions are calculated taking into consideration the GHG standard Protocol established by the WRI (World Resources Institute) and the WBCSD (World Business Council for Sustainable Development).

In the case of categories 3.1 Purchases of goods and services and 3.2 Purchases of capital goods, 80% of the amount of the overall statement of all the Bank's operating expenses and Investments has been taken as the basis, considerably broadening the items included in these categories with respect to the previous calculation perimeter.

The emission factors used for the calculation of these categories in 2023 were obtained from public information provided by the suppliers themselves or, when unavailable, emission intensities from DEFRA's input-output (IO) database, classified by economic sector, were used.

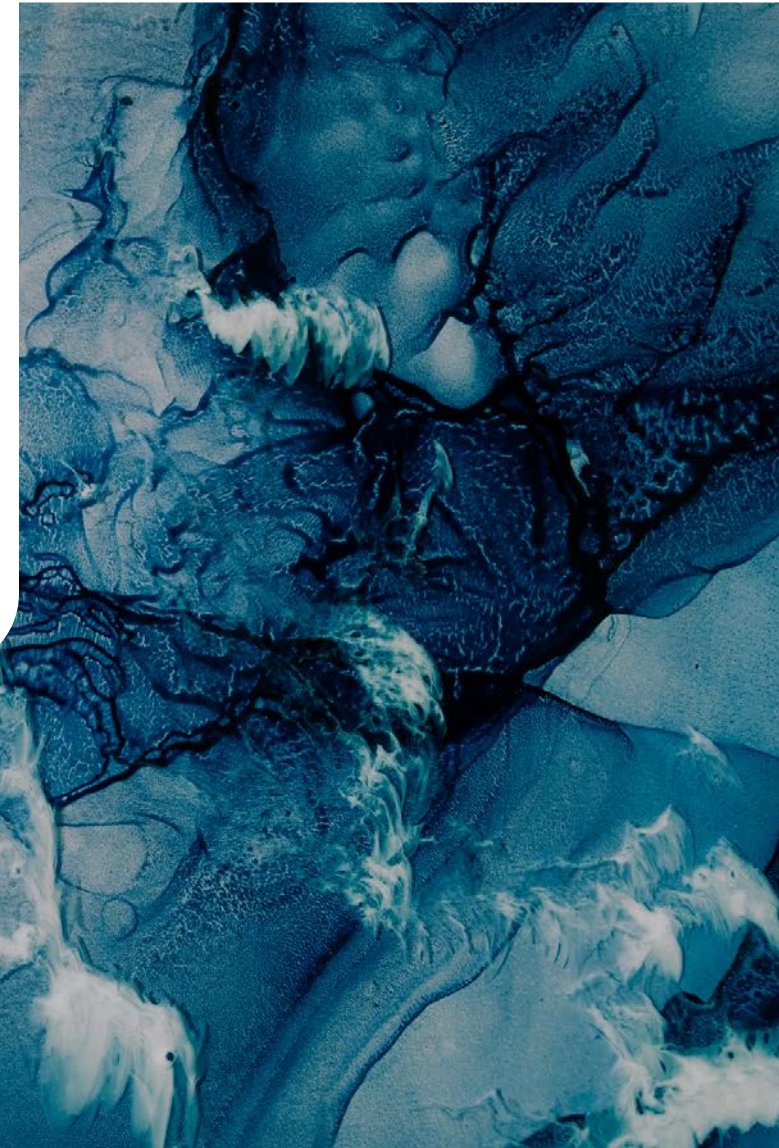
With the aim of improving accuracy for 2024 emissions and more precisely defining reduction targets for these categories, CaixaBank has launched an engagement project with the most relevant suppliers to obtain information on their Carbon Footprint. In this respect, Caixa- Bank will ask them to report:

- The Carbon Footprint
- Carbon footprint reduction targets
- Details of the offsets for non-avoided emissions carried out

This project, currently underway, will improve the accuracy of the calculation of emissions in categories 3.1 and 3.2 in 2024 and will provide additional information for the setting and monitoring of emission reduction targets. Due to this, it has been considered advisable not to establish new emission reduction targets for these categories until the additional information established by this new methodology is available, so the Scope 3 targets are maintained under the old calculation perimeter for the year 2024, the year in which the current Environmental Management Plan ends.



Both Scope 1 and 2 emissions and Scope 3 emissions are calculated taking into consideration the GHG standard Protocol established by the WRI (World Resources Institute) and the WBCSD (World Business Council for Sustainable Development).



/ OPERATIONAL CARBON FOOTPRINT¹¹⁹ OF CAIXABANK GROUP (TCO₂ EQ)

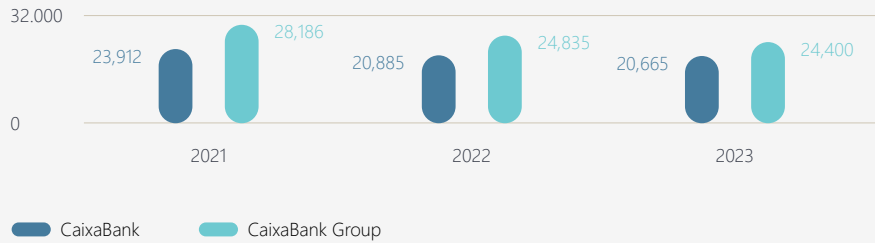
			2023		2022		2021		
Item	Source		CaixaBank, S.A.	Grupo CaixaBank, S.A.	CaixaBank, S.A.	Grupo CaixaBank, S.A.	CaixaBank, S.A.	Grupo CaixaBank, S.A.	
Scope 1	Combustion in stationary sources	Boilers and emergency equipment	Diesel C	290,82	467.92	326.46	415.48	682.61	817.3
			Natural gas	621.62	654.55	791.13	892.75	970.07	1,017.72
			Propane gas	3.56	3.56				
	Combustion in mobile sources	Rental vehicles	395.90	3,858.33	960.40	4,161.52	1,291.95	4,096.07	
Leaks of refrigerant gasses	Refrigerant gasses	3,376.72	3,438.98	3,548.13	4,106.54	2,818.00	3,326.17		
Scope 2	Market-based method		—	—	—	—	374.17	1,153.55	
	Location-based method		21,082.12	29,383.94	31,994.66	42,670.71	32,784.12	43,978.80	
	Electricity auto-consumption		—	—	—	—	—	—	
Scope 3	3.1 Purchase of goods and services	OpEx	63,566.73	158,000.89	51,980.66	128,005.67	59,185.22	146,723.85	
	3.2 Capital assets	CapEx	43,338.53	46,775.71	50,164.90	60,810.78	36,448.54	45,841.97	
	3.3 Fuel and activities	Value chain and transport of electricity and fuels	3,996.56	6,142.58	4,584.67	6,715.65	6,358.27	8,829.47	
	3.6 Travel	Air, train, car and hotel	9,006.43	10,964.72	5,809.91	6,794.80	4,473.40	5,038.83	
Total (Current Perimeter)	Scope 1		4,688.62	8,423.34	5,626.12	9,576.29	5,762.63	9,257.38	
	Scope 2 (Market-based)		—	—	—	—	374.17	1,153.55	
	Scope 2 (Location-based)		21,082.12	29,383.94	31,994.66	42,670.71	32,784.12	43,978.80	
	Scope 3		119,908.25	221,863.91	112,540.14	202,326.90	106,465.44	206,434.11	
	Total (Market-based)		124,596.86	230,287.25	118,166.26	211,903.19	112,602.24	216,845.05	
	Total (Location-based)		145,678.98	259,671.20	150,160.92	254,573.90	145,012.20	259,670.30	
	Total per employee (Market-based)		3.45	5.18	3.22	4.80	2.64	4.37	

¹¹⁹ The data for the operational carbon footprint presented in the 2021 Consolidated Management Report included the sum of the historical calculation scopes for CaixaBank and Bankia, which were not the same. These data have been recalculated from the publication of the 2021 Consolidated Management Report with the aim of standardising this scope and enabling comparison of emissions for 2021, 2022 and 2023, as well as tracking progress towards the established targets.

			2023		2022		2021	
Item	Source	CaixaBank, S.A.	Grupo CaixaBank, S.A.	CaixaBank, S.A.	Grupo CaixaBank, S.A.	CaixaBank, S.A.	Grupo CaixaBank, S.A.	
Scope 3 (Old Perimeter) ¹²⁰	3.1 Purchase of goods and services	Mains water	162.38	162.38	153.31	153.31	195.14	195.14
		A4 paper	1,649.9	1,649.59	2,054.94	2,054.94	3,105.14	3,105.14
		Other paper	2,346.78	2,346.78	3,489.20	3,489.20	4,126.67	4,126.67
		Other goods (toner, stickers and cards)	575.03	575.03	647.63	647.63	824.34	824.34
	3.2 Capital assets	Towers, laptops, monitors and keyboards	979.45	979.45	1,440.47	1,440.47	3,946.41	3,946.41
	3.3 Fuel and activities	Value chain and transport for non-renewable electricity	0.00	0.00	—	—	122.64	122.64
	3.4 Waste generation	Toner and computer support	1,436.76	1,436.76	1,783.20	1,783.20	1,359.62	1,369.62
3.5 Corporate travel	Plane, train, car	8,826.88	8,826.88	5,689.98	5,689.98	4,094.93	4,094.93	
Total (Old Perimeter)	Scope 1	4,688.62	8,423.34	5,626.12	9,576.29	5,762.63	9,257.38	
	Scope 2 (Market-based)	—	—	—	—	374.17	1,153.55	
	Scope 2 (Location-based)	21,082.12	29,383.94	31,994.66	42,670.71	32,784.12	43,978.80	
	Scope 3	15,976.88	15,976.88	15,258.72	15,258.72	17,774.90	17,774.90	
	Total (Market-based)	20,665.49	24,400.22	20,884.84	24,835.02	23,911.70	28,185.83	
	Total (Location-based)	41,747.61	53,784.16	52,879.50	67,505.72	56,321.65	71,011.08	
	Total per employee (Market-based)	0.57	0.55	0.57	0.56	0.56	0.57	

¹²⁰ The calculation of Scope 3 for the old perimeter is only calculated for CaixaBank, S.A.

/ OPERATIONAL CARBON FOOTPRINT OLD PERIMETER (TCO₂ EQ)



The CaixaBank Group has reduced its carbon footprint by **13.4 % since 2021** (-13.6 exclusively in CaixaBank S.A.).

As part of the Environmental Management Plan, the CaixaBank Group has undertaken to neutralise the carbon footprint of its own activity for Scope 1, 2 and corporate travel in category 3.6 of Scope 3. To achieve this objective, measures have been implemented to reduce its own emissions and to offset those that could not be avoided.

In 2023¹²¹, a qualitative leap was made regarding the offsetting of these emissions, reaching 75% offset through reforestation projects (50% in projects in Spain) compared to 25% in renewable energy implementation projects, all of which have very recent vintages. The projects chosen to offset 2023 emissions were:

- 25% of the tonnes offset in the project "Land Fill Gas Pichacay" in Ecuador. Group I of the Oxford Principles (avoided emissions). Vintage 2020. VCS Verification Standard.
- 25% in the project "Vichada Aforestation Reforestation" in Colombia. Group IV of the Oxford principles (emissions absorption). Vintage 2018+. VCS Verification Standard.
- 50% of tonnes offset in reforestation projects in Spain (Pontevedra and Palencia). Type IV (emissions absorption). Vintage 2021 and 2022. MITERD Verification Standard

CaixaBank also has two CO₂ absorption projects of its own, reforesting burnt areas on the Montserrat mountain range in Barcelona and in Ejulve, Teruel.

¹²¹ The offset project where it was indicated that 50% of the emissions corresponding to the year 2022 were offset (VCS Improving Agroforestry Practices in India. V 2018 – 2020 of Group IV of the Oxford Principles) was finally replaced by the VCS Project Afforestation Forestry in Colombia. V 2018+ of Group IV of the Oxford Principles (removal), the latter in readiness for verification by VERRA already resolved.

The Environmental Management Plan 2022-2024 sets quantitative targets¹²² for all years of the plan, aligned with the climate strategy and focused on reducing direct impacts:

Objective	Indicators	2022	2022	2023	2023	2024
		indicator	real	indicator	real	indicator
Minimise and offset the carbon footprint	Scope 1 (vs 2021 ¹²³)	-7%	-10%	-10%	-21%	-15%
	Scope 2 (Market-based) (vs. 2021)	-100%	-100%	-100%	-100%	-100%
	Operational Scope 3 calculated perimeter 2021 ¹²⁴	-12%	-38%	-15%	-35%	-18%
	Global CO ₂ emissions reduced (vs 2021)	-12.9%	-32.0%	-16.0%	-33.0%	-19.0%
	Carbon Neutral ¹²⁵ . CO ₂ emissions compensated: Scopes 1, 2 and 3.6 (corporate travel)	100%	100%	100%	100%	100%
Use of 100% renewable energy	Consumption of renewable energy	100%	100%	100%	100%	100%
Reduction of paper consumption/waste	Reduction of paper consumption (vs 2021)	-8.0%	-34.6%	-12.0%	-27.7%	-15.0%
Implementation of energy efficiency measures	Saving in energy consumed (vs 2021)	-6.0%	-14.1%	-8.0%	-22.8%	-10.0%
Renewal of certifications and extension of perimeter	Environmental certification of main buildings (vs 11 certifications 2021 ¹²⁶)	2	2	3	3	4

¹²² The targets associated with the reduction of Scope 1 and 2 emissions, the carbon neutral goal, 100% renewable energy consumption, as well as its reduction and the number of certifications, take into account the entire Group (including 16 subsidiaries), while Scope 3 and paper consumption reduction are limited to CaixaBank, S.A.

¹²³ For the calculation of the Scope 1 target, CaixaBank's refrigerant gas emissions data takes the average for the period 2019-2021 as the baseline year.

¹²⁴ The Scope 3 (operational) target was calculated taking into account the calculation perimeter prior to the rescaled operational carbon footprint, including several Scope 3 categories regardless of which are significant. The corporate travel emissions data included in this target are from CaixaBank, S.A. and take 2019 (prior to COVID-19 restrictions) as the base year of reference.

¹²⁵ The carbon neutrality perimeter ("Carbon Neutral") includes Scopes 1, 2 and 3.6 (corporate travel) at CaixaBank Group level. Emissions that could not be avoided are offset through the purchase of credits in the voluntary offset market, as explained in the Carbon Footprint Mitigation Strategy section.

¹²⁶ In 2022, CaixaBank sold the certified building located at Paseo de la Castellana 51, transferring most of its employees to the building at Castellana 189, which is also ISO 14001 certified. The base figure on which we assess the objectives has changed to 10 certifications, to which 2 new buildings belonging to BPI were added in 2022 and a third belonging to BPI in 2023.



Environmental efficiency

CaixaBank aims to improve the energy efficiency of all its buildings, implementing energy saving measures, as well as other efficiency measures in relation to other consumption with an environmental impact, such as water and paper.

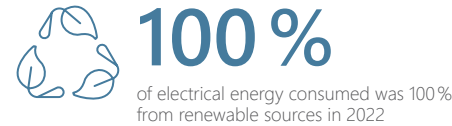
Energy

Several initiatives have been implemented at Group level in recent years, enabling a reduction in energy consumption and contributing to the reduction of Scope 2 emissions of the Carbon Footprint:

- In recent years, several consumption reduction initiatives have been implemented in the branch network based on potential savings: replacement of fluorescent lighting with LED lighting, replacement of air-conditioning equipment with more efficient equipment, presence and light switch-off sensors, single off-switches associated with the connection of alarms, replacement of IT equipment, etc.
- The two Data Processing Centres (DPC) are silver and gold LEED-certified respectively.
- In 2023, 21 diesel tanks in the office network were removed and the existing air conditioning units were replaced by heat pumps.

In 2023, the CaixaBank Group's energy consumption was reduced by 22.8% compared to 2021 (-26.7% if we look exclusively at CaixaBank, S.A.). This reduction has been the result of the energy management and saving measures implemented and the synergies derived from the merger, as well as the changes in climate and lighting due to Royal Decree-Law 14/2022 on energy saving and efficiency measures.

2023



Group's energy consumption per employee

Year	Group's energy consumption per employee (MWh)
2021	6.09 MWh
2022	5.88 MWh
2023	5.25 MWh

Paper

Several initiatives have been implemented at Group level which have led to a reduction in paper consumption in recent years¹²⁷:

- The digitalisation project enables digital signatures for 100% of the processes.
- ATMs allow envelope-less deposits and offer the option to view information on screen and not to print a receipt.
- Invoicing is done electronically.
- CaixaBank, S.A. has reduced paper consumption associated with sending communications to customers by 31.3% compared to 2021.
- Reduction of 27.65% in A4 paper consumption in corporate buildings and branches of CaixaBank, S.A. compared to 2021.
- Reduction and centralisation of printers in multifunction teams with user identification system.
- Commitment to the preferential use of recycled paper, which at CaixaBank, S.A. accounts for 98% of consumption.
- Publications printed on FSC and PEFC certified paper.

/ PAPER CONSUMPTION (A4)¹²⁸ (TONNES)

	2021	2022	2023
Paper consumption (t)	1,246	815	902
Paper consumption per employee	0.03	0.02	0.02

Water

- The water used comes from the supply network and its use is mainly for sanitary purposes, which means that it cannot be reused and therefore its importance as an environmental vector is relative. Despite this, measures are being implemented to reduce consumption, such as replacing traditional taps with stop-flow taps and replacing toilet cisterns with smaller capacity ones and dual flush buttons.
- In special buildings, the best technologies have been implemented to optimise water consumption associated with cooling processes: our data processing centres use free cooling technology without water, and the evaporative cooling towers at the corporate centre in Barcelona were replaced by adiabatic towers, with much lower water consumption.
- In 2023, 421,769 m³ of water was consumed, which represents a reduction in consumption of 16.8% compared to 2021.

/ WATER CONSUMPTION¹²⁹ (M³)

	2021	2022	2023
Water consumption (m ³)	506,848	398,206	421,769
Water consumption per employee	11.89	10.84	11.69



¹²⁷ Paper and water reduction initiatives have been implemented across the Group, although quantitative data are available only for CaixaBank, S.A.

¹²⁸ Data from CaixaBank, S.A.

¹²⁹ Data from CaixaBank, S.A.



Waste and commitments to the circular economy

Waste generation is becoming a serious global problem. For this reason, CaixaBank considers good waste management to be essential, as well as the transition from linear consumption practices to circular consumption, with the aim of minimising its Scope 3 carbon footprint emissions.

The main activities carried out by CaixaBank are detailed below:

- Separate collection allows for the proper recovery and recycling of waste.
- At our corporate buildings, waste is accounted for and managed by authorised waste management companies. In addition, our cafeterias in these buildings are centres free of single-use plastic.
- In our branch network, municipal selective collection containers are used for non-hazardous waste (paper, plastic, organic and other waste), while hazardous waste is managed by authorised waste managers through our maintenance companies (light bulbs, refrigerant gases, electronic waste, toner, etc.).
- CaixaBank launches regular staff awareness campaigns to reduce waste generation.
- Collection of obsolete cards in the branch network for subsequent recycling.
- 100% of cards marketed are made from recycled PVC and biodegradable material.
- CaixaBank has ReUtilízame, a programme that promotes the donation of surplus materials in good condition by companies to non-profit social organisations. The programme is open to customers, and in 2023 44,457 items were donated, 28 companies participated in addition to CaixaBank and 152 organisations benefited.



The waste data¹³⁰ taken into consideration for the calculation of the carbon footprint of CaixaBank, S.A. are shown in the table below.

	2021	2022	2023
Toner cartridges (kg)	42,337	38,040	34,693
IT equipment (tonnes)	1,262	984	855

¹³⁰ Data from CaixaBank, S.A.



A
Appendix

APPENDICES

Appendix 1: Methodology for calculating financed emissions

CaixaBank has selected the methodology in the Global GHG Accounting and Reporting Standard for the Financial Industry (the "standard"), developed by Partnership for Carbon Accounting Financials (PCAF), **to estimate the financed emissions.**

The following should be taken into account:

- Emissions associated with the mortgage portfolio have been calculated based on information from the energy performance certificate (actual or estimated) of the financed properties.
- Issuances associated with the rest of the financing and investment portfolio have been calculated from carbon footprint information (Scope 1, 2 and 3) reported by the companies/projects financed or from issuance factors published by PCAF when companies do not publish their carbon footprint.
- Issuances linked to vehicle financing have been estimated taking into account vehicle type and average mileage proxies.

In all cases, the allocation of emissions financed by CaixaBank has been made on the basis of the attribution factor defined by PCAF for each type of asset and the best available data in each case.

The PCAF methodology establishes that financed emissions should be calculated by multiplying the emissions of the borrower, investee or financed asset by an attribution factor specific to each asset class:

/ EQUATION 1 – FINANCED EMISSIONS

Financed emissions = Σ Attribution factor*emissions

- Attribution factor: the part of the borrower's annual CO₂e emissions attributed to the Bank.
- **Debt issuance:** are the annual emissions by the borrower.

The information on emissions and financial data for companies in CaixaBank's portfolio is for the end of the fiscal year (in this case 2023).



Business financing. Methodology and calculation

The emissions calculation for this category includes all loans and credit facilities on the Bank's balance sheet for general corporate purposes granted to companies, non-profit and other types of organisations (including SMEs). The calculation is performed on a group basis.

Calculation of the attribution factor

The attribution factor represents the weight of the financing granted to the customer by the Entity. Following the PCAF standard, this is calculated as follows:

/ EQUATION 2 – GENERAL LENDING ATTRIBUTION FACTOR

$$\text{Attribution factor}_0 = \frac{\text{Outstanding balance to be repaid}}{\text{Enterprise Value Including Cash (EVIC)}_0}$$

The Enterprise Value Including Cash (EVIC) is calculated using the carrying amount of the corresponding items (this prevents market volatility from interfering with management and achievement of decarbonisation commitments). The balance sheet information for the companies is taken from internal databases and from their balance sheets. The financed emissions cannot be calculated when financial information is not available for the company.

Calculation of emissions

The calculation of financed emissions follows two approaches, depending on the available information:

- Top-down:** when information on emissions published by the Group is available.
- Bottom-up:** when information on emissions published by the Group is not available, this is estimated on the basis of the information available (at the sector level) for the counterparties comprising the Group.

Project Finance. Methodology and calculation

The Project Finance portfolio includes all loans to projects with specific purposes on the Entity's balance sheet at year end. The calculation of PF emissions only includes emissions financed over the life of the transaction.

Calculation of the attribution factor

The attribution factor for this segment is calculated as follows:

/ EQUATION 3 - PROJECT FINANCE
ATTRIBUTION FACTOR

$$\text{Attribution factor}_0 = \frac{\text{Outstanding balance to be repaid}}{\text{Equity}_e + \text{Debt}_e}$$

Calculation of emissions

Given the available information, the following approaches were used to calculate the Scope 1, 2, 3 emissions:

- **Approach 1:** This approach uses the reported emissions of the project to be financed.
- **Approach 2:** GHG emissions calculated on the basis of the physical activity of the project to be financed.
- **Approach 3:** GHG emissions calculated on the basis of economic activity and PCAF intensity factors.

Mortgages and CRE. Methodology and calculation

The mortgage portfolio includes those mortgage-backed loans on the Bank's balance sheet for the purchase or refinancing of residential properties, including individual and single-family housing units. The Commercial Real Estate (CRE) portfolio includes mortgage-backed loans on the Bank's balance sheet for the purchase or refinancing of properties for commercial purposes. Consumer loans, as well as loans for the construction/remodelling of housing and/or property for commercial purposes are excluded from the scope.

Calculation of the attribution factor

The attribution factor for this segment is calculated as follows:

/ EQUATION 4 - MORTGAGE AND CRE
ATTRIBUTION FACTOR

$$\text{Attribution factor}_0 = \frac{\text{Outstanding balance of the property to be amortised}}{\text{Property value at source}_e}$$

Calculation of emissions

Given the available information, the following approaches were used to calculate the emissions per Scope 1 and 2 of the properties:

- Energy certificate of the property. The EPC may be actual, estimated, inferred or modelled.
- Instituto para la Diversificación y Ahorro de la Energía or PCAF/CRREM depending on the type of building.

Investment portfolio. Methodology and calculation

The investment portfolio includes corporate fixed income and equities. Fixed income includes investments in financial bonds issued by private entities, excluding green bonds. Equity includes the Bank's holdings in other companies, including holdings in listed and unlisted companies.

Calculation of the attribution factor

The attribution factor for this segment is calculated as follows:

/ EQUATION 5 - INVESTMENT PORTFOLIO
ATTRIBUTION FACTOR

$$\text{Attribution factor}_0 = \frac{\text{Carrying amount}}{\text{Enterprise Value Including Cash (EVIC)}_e}$$

Calculation of emissions

Given the information available, the following approaches have been used to calculate the financed emissions for each of Scopes 1, 2 and 3:

- **Approach 1:** This approach uses the emissions reported by the company.
- **Approach 2:** GHG emissions calculated on the basis of company's economic activity and PCAF intensity factors.

Vehicles. Methodology and calculation

This portfolio includes loans to companies and individuals for the purchase of vehicles and boats.

Calculation of the attribution factor

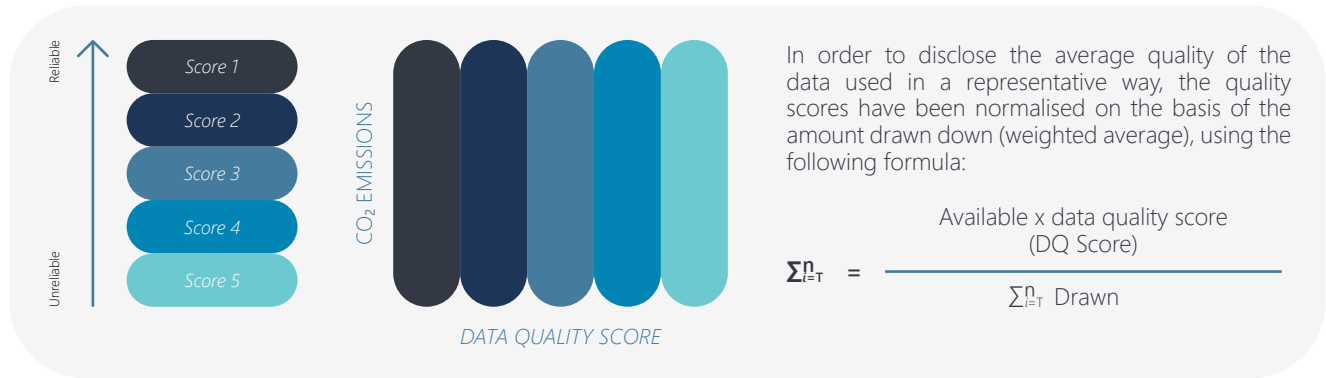
The attribution factor for this segment is calculated as follows:

/ EQUATION 6 – VEHICLE ATTRIBUTION FACTOR

$$\text{Attribution factor}_0 = \frac{\text{Outstanding balance to be repaid}}{\text{Total value of the loan}_e}$$

Data quality.

PCAF establishes a quality level for the degree of certainty of the estimates (the Data Quality Score or DQ Score), depending on the estimation methodology used. Specifically, PCAF establishes 5 levels of DQ Score:



Calculation of emissions

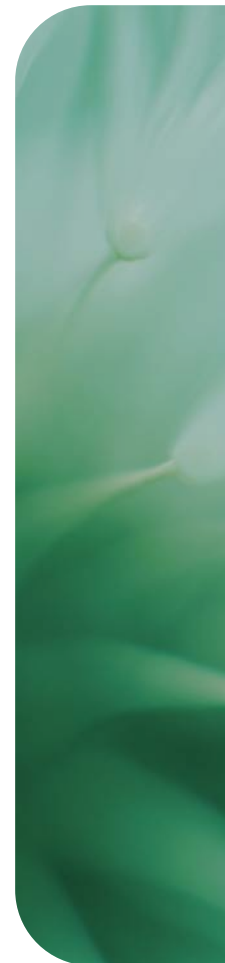
Given the low availability of information on the actual emissions (Scope 1 emissions) of each vehicle, an estimate of the financed emissions is made from the following proxies: Average emission factor according to vehicle type and average kilometres driven according to vehicle type.



Appendix 2: Methodology for calculating the operational emissions

Both Scope 1 and 2 emissions and Scope 3 emissions are calculated taking into consideration the **GHG standard Protocol** established by the WRI (World Resources Institute) and the WBCSD (World Business Council for Sustainable Development). **CaixaBank's inventory of GHG emissions** distinguishes between organisational limits and operating limits within this methodological framework:

- **Organisational limit:** the limits that determine the operations owned or controlled by the CaixaBank Group. The perimeter previously set for CaixaBank covered its main sources of direct emissions (Scope 1) and indirect emissions associated with the purchase and consumption of electricity (Scope 2) and indirect emissions included in the categories determined to be material in the Materiality Analysis of Scope 3 categories (3.1 Purchase of goods and services, 3.2 Purchase of capital goods, 3.3 Fuel and energy-related activities and 3.6 Corporate travel). Although the analysis shows that the only relevant category of this scope, with a weight of 99% of the total Scope 3 emissions, is category 3.15 (corresponding to financed emissions), the above-mentioned categories were also defined as material. The new scope for calculating the operational carbon footprint includes all emissions in the categories defined as material for the entire Group¹¹⁷, excluding those that are not defined as material.
- **Operating limit:** these limits determine the direct and indirect emissions associated with operations owned or controlled by CaixaBank.



/ IDENTIFIED EMISSION SOURCES

- SCOPE 1 DIRECT GHG emissions**
- Rental vehicles
 - Boilers and emergency equipment
 - Refills of refrigerant gasses

- SCOPE 2 INDIRECT GHG emissions**
- Electricity consumption

- SCOPE 3 OTHER INDIRECT GHG EMISSIONS**
- Old perimeter (partial categories only CaixaBank, S.A.)
- Procurement of goods and services (water, paper, other)
 - Capital goods (computer equipment)
 - Relation to energy (power)
 - Waste (toner and WEEE)

- SCOPE 3 OTHER INDIRECT GHG EMISSIONS**
- New perimeter (complete categories of the CaixaBank Group)
- Business travel (transport)
 - Procurement of goods and services (full OpEx)
 - Capital goods (full CapEx)
 - Relation to energy (power and fuels)
 - Waste (toner and WEEE)

¹¹⁷ Includes 99.4% of the Group's total workforce.

Appendix 3: Table of compliance with TCFD recommendations

	TCFD recommendations	Location of the report	IFRS S2	
Strategy	E Describe the climate-related risks and opportunities that the organisation has identified in the short, medium and long term.	A description of the horizons considered relevant in the short, medium and long term, taking into account the useful life of the organisation's assets or infrastructure and the fact that climate-related issues often manifest themselves in the medium to long term;	Risk management ESG materiality assessment. Climate risk management	Strategy <i>Climate-related risks and opportunities</i> 10 (d)
		A description of specific climate-related issues that could arise over each time horizon (short, medium and long term) that could have a material financial impact on the organisation;	Risk management. ESG materiality assessment.	Strategy <i>Financial position, financial performance and cash flows</i> 16 (c)
		A description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organisation.	Strategy Materiality	Strategy <i>Financial position, financial performance and cash flows</i> 16 (a) (b)
		Organisations should consider providing a description of their risks and opportunities by sector and/or geography, as appropriate.	Risk management Climate risk management	Strategy <i>Business model and value chain</i> 13 (b)
		Banks should describe significant concentrations of their credit exposures to carbon-related assets. In addition, they should consider disclosing their climate-related risks (transitional and physical) in their lending and other financial intermediation business activities.	Risk management Climate risk management.	Metrics and targets <i>Climate-related metrics</i> 29 (a)
L	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning.	Organisations should consider including the impact on their business, strategy and financial planning in the following areas: Products and services; Supply chain and/or value chain; Investment in research and development; Operations (including types of operations and location of facilities); Acquisitions or sales of assets; Access to capital.	Risk management ESG materiality assessment. Climate risk management	Strategy <i>Financial position, financial performance and cash flows</i> 16 (d)
		Organisations should describe how climate-related issues inform their financial planning processes, the time period(s) used and how these risks and opportunities are prioritised. Organisations' disclosures should reflect a holistic view of the interrelationships between the factors that affect their ability to create value over time.	Risk management. ESG materiality assessment. Climate risk management	Strategy <i>Business model and value chain</i> 13 (a)
		Organisations should describe the impact of climate-related issues on their financial results (e.g. revenues, costs) and financial situation (e.g. assets, liabilities).	Risk management ESG materiality assessment	Strategy 9 (d)
		If climate-related scenarios were used to inform the organisation's strategy and financial planning, these scenarios should be described.	Risk management ESG materiality assessment	Strategy Climate resilience 22 (b)
		Organisations that have made GHG emission reduction commitments, that operate in jurisdictions that have made such commitments or that have agreed to meet investor expectations regarding GHG emission reductions should describe their low-carbon transition plans, which could include GHG emission targets and specific activities aimed at reducing GHG emissions in their operations and value chain or otherwise supporting the transition.	Strategy Environmental and climate strategy. Metrics and targets Financed emissions and decarbonisation targets Operational carbon footprint and decarbonisation targets	Metrics and targets Climate-related targets 33 (h)

		TCFD recommendations	Location of the report	IFRS S2
Strategy	B Describe the resilience of the organisation's strategy, taking into account different climate-related scenarios, including a 2°C or lower scenario.	When they believe their strategies may be affected by climate-related risks and opportunities;	Risk management ESG materiality assessment	Strategy Climate resilience 22 (a) (i)
		How they might change their strategies to address these potential risks and opportunities;	Strategy Environmental and climate strategy. Metrics and targets Sustainable financing Aligning the credit and investment portfolio with the Paris Agreement	Strategy Climate resilience 22 (a) (iii)
		The potential impact of climate-related matters on financial performance (e.g. income, costs) and financial situation (e.g. assets, liabilities); and the climate-related scenarios and time horizon considered.	Risk management ESG materiality assessment	Strategy Financial position, financial performance and cash flows 16 (d)
		The climate-related scenarios and the time horizon considered.	Risk management Sustainability risk materiality assessment (ESG)	Climate resilience strategy 22 (b) (i)
Governance	E Describe the Board's oversight of climate-related risks and opportunities.	Processes and frequency of reporting to the Board of Directors and/or its committees (e.g. audit, risk or other) on climate-related issues;	Governance Governance, organisation and risk management	Governance 6 (a) (iii)
		Whether the Board of Directors and/or Board committees consider climate-related issues when reviewing and monitoring strategy, major action plans, risk management policies, annual budgets and business plans, as well as when setting organisational performance targets, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions and asset sales;	Governance Governance bodies Sustainability-linked remuneration system	Governance 6 (a) (iv)
		How the Board monitors and oversees progress against defined objectives and targets to address climate-related issues.	Governance Sustainability Committee	Governance 6 (a) (v)
	L Describe the role of administration in assessing and managing climate-related risks and opportunities.	A description of the related organisational structure(s);	Governance Governance bodies	Governance 6 (b)
		Processes by which management is informed about climate-related issues;	Governance Sustainability Committee	Governance 6 (b) (ii)
		Management oversees (through specific positions and/or steering committees) climate-related issues.	Governance Sustainability Department	Governance 6 (b) (i)

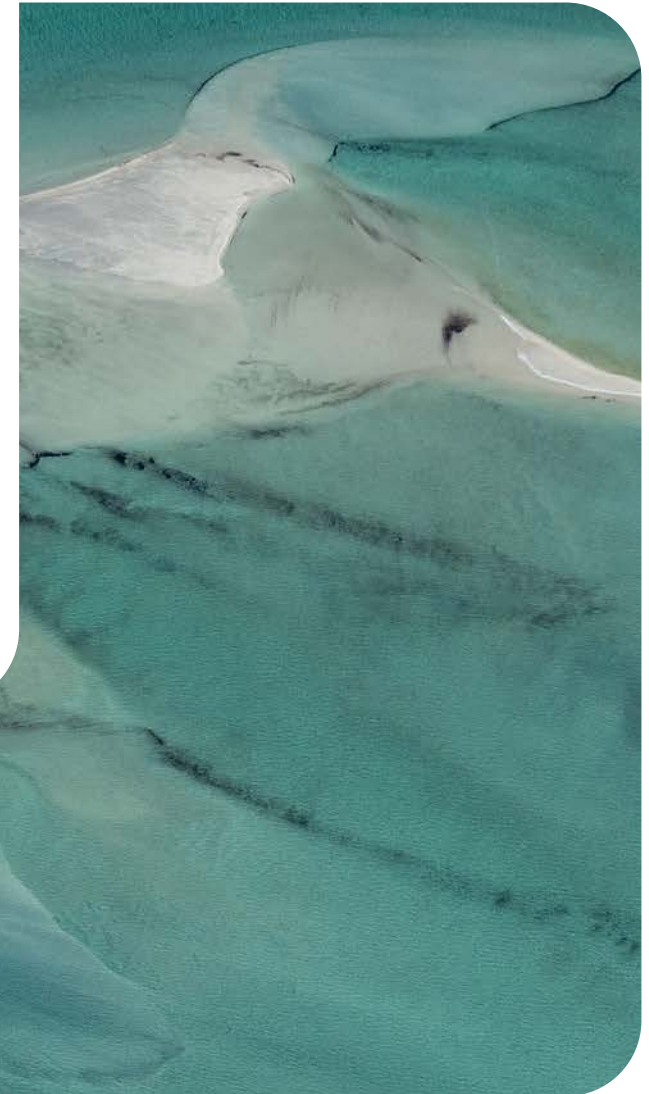
	TCFD recommendations	Location of the report	IFRS S2	
Risk management	E Describe the organisation's processes for identifying and assessing climate-related risks.	How the Bank determines the materiality of climate-related risks relative to other risks.	Risk management ESG materiality assessment	
		Organisations should describe whether they take into account existing and emerging regulatory requirements related to climate change (e.g. emission limits), as well as other relevant factors considered.	Risk management ESG materiality assessment	
		Processes to assess the magnitude and potential scope of identified climate-related risks.	Risk management Climate risk management	
		Definitions of risk terminology used or references to existing risk classification frameworks used.	Risk management ESG materiality assessment	
		Banks should consider characterising their climate-related risks in the context of traditional banking sector risk categories, such as credit risk, market risk, liquidity risk and operational risk.	Risk management ESG materiality assessment	
		Banks should also consider describing any risk rating framework used.	Risk management ESG materiality assessment	
		L Describe the organisation's processes for managing climate-related risks.	Organisations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept or control those risks.	Risk management ESG materiality assessment
		In addition, organisations should describe their processes for prioritising climate-related risks, including how materiality issues are determined within their organisations.	Risk management ESG materiality assessment	
		In describing their processes for managing climate-related risks, organisations should address the risks listed in Tables A1.1 and A1.2.	Risk management Climate risk management	
		B Describe how the processes of identifying, assessing and managing climate-related risks are integrated into the global risk management of the organisation.	Organisations should describe how their processes for identifying, assessing and managing climate-related risks are integrated into their global risk management.	Risk management Climate risk management Governance Governance, organisation and risk management

	TCFD recommendations	Location of the report	IFRS S2
Metrics and targets	<p>E</p> <p>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in accordance with its strategy and risk management process.</p>	<p>Metrics and targets Environmental efficiency</p>	<p>Metrics and targets Climate-related metrics 9 (b), (c)</p>
	<p>Organisations should consider including metrics on climate-related risks associated with water, energy, land use and waste management where relevant and applicable.</p>	<p>Governance Sustainability-linked remuneration system</p>	<p>Governance 6 (a) (v)</p>
	<p>Where climate-related issues are material, organisations should consider describing whether and how related performance metrics are integrated into remuneration policies.</p>	<p>Metrics and targets Sustainable financing</p>	<p>Metrics and targets Climate-related metrics 29 (f)</p>
	<p>When relevant, organisations should provide their internal carbon pricing, as well as metrics of climate-related opportunities, such as revenues from products and services designed for a low-carbon economy.</p>	<p>Metrics and targets Financed emissions and decarbonisation targets Operational carbon footprint and decarbonisation targets</p>	<p>Metrics and targets Climate-related targets 33 (e)</p>
	<p>Metrics should be provided for historical periods to allow trend analysis. Where appropriate, organisations should consider providing forward-looking metrics for climate-related and cross-cutting metrics categories, consistent with the time horizons of their business planning and strategy. In addition, where it is not obvious, organisations should provide a description of the methodologies used to calculate or estimate climate-related metrics.</p>	<p>Risk management ESG materiality assessment The details are also defined in the CaixaBank Group's Pillar 3 Disclosures Report.</p>	<p>Metrics and targets Climate-related metrics 29 (b), (c)</p>
	<p>Banks should provide the metrics used to assess the impact of climate-related (transitional and physical) risks on their lending and other financial intermediation activities in the short, medium and long term. The metrics provided may relate to credit exposure, equity and debt holdings, or trading positions, broken down by: Industry; geography; credit quality; average tenor.</p>	<p>Risk management Climate risk management</p> <p>Metrics and targets Sustainable financing</p>	<p>N/A</p>
	<p>Banks should also provide the amount and percentage of carbon-related assets relative to total assets, as well as the amount of lending and other financing related to climate-related opportunities.</p>	<p>Metrics and targets Green Taxonomy of the European Union (EU)</p>	<p>N/A</p>

	TCFD recommendations	Location of the report	IFRS S2	
Metrics and targets	<p>L</p> <p>Disclose Scope 1, Scope 2 and Scope 3 (if applicable) greenhouse gas (GHG) emissions and related risks.</p>	<p>Organisations should present their Scope 1 and 2 GHG emissions independently of their materiality analysis and, if applicable, Scope 3 GHG emissions and related risks. All organisations should consider disclosing Scope 3 GHG emissions.</p>	<p>Metrics and targets</p> <p>Climate-related metrics 29 (a) (i)</p>	
		<p>GHG emissions should be calculated according to the GHG Protocol methodology to allow for aggregation and comparability across organisations and jurisdictions. Where appropriate, organisations should consider providing the related generally accepted industry-specific GHG efficiency ratio.</p>	<p>Metrics and targets</p> <p>Operational carbon footprint and decarbonisation targets</p>	
		<p>GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where it is not obvious, organisations should provide a description of the methodologies used to calculate or estimate the metrics.</p>	<p>Metrics and targets</p> <p>Operational carbon footprint and decarbonisation targets</p>	<p>Metrics and targets</p> <p>Climate-related targets 33 (e)</p>
		<p>Banks should disclose GHG emissions from their lending and financial intermediation activities where data and methodologies allow. These emissions should be calculated in accordance with the Global GHG Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting and Reporting (PCAF) or other comparable methodology.</p>	<p>Metrics and targets</p> <p>Operational carbon footprint and decarbonisation targets</p>	<p>Metrics and targets</p> <p>Climate-related metrics 29 (a) (vi)</p>
		<p>B</p> <p>Describe the objectives used by the organisation to manage climate and performance-related risks and opportunities against targets.</p>	<p>When describing their objectives, organisations should consider including the following: Whether the target is absolute or whether it will be intensity-based; the timescales within which the target is to be met; the base year from which progress is measured; the key performance indicators used to assess progress against targets</p>	<p>Metrics and targets</p> <p>Climate-related targets 33 (g)</p>
		<p>Organisations disclosing medium- and long-term objectives should also disclose the associated intermediate objectives in aggregate or by business line, where available.</p>	<p>Metrics and targets</p> <p>Operational carbon footprint and decarbonisation targets</p>	<p>Metrics and targets</p> <p>Climate-related targets 33 (f)</p>

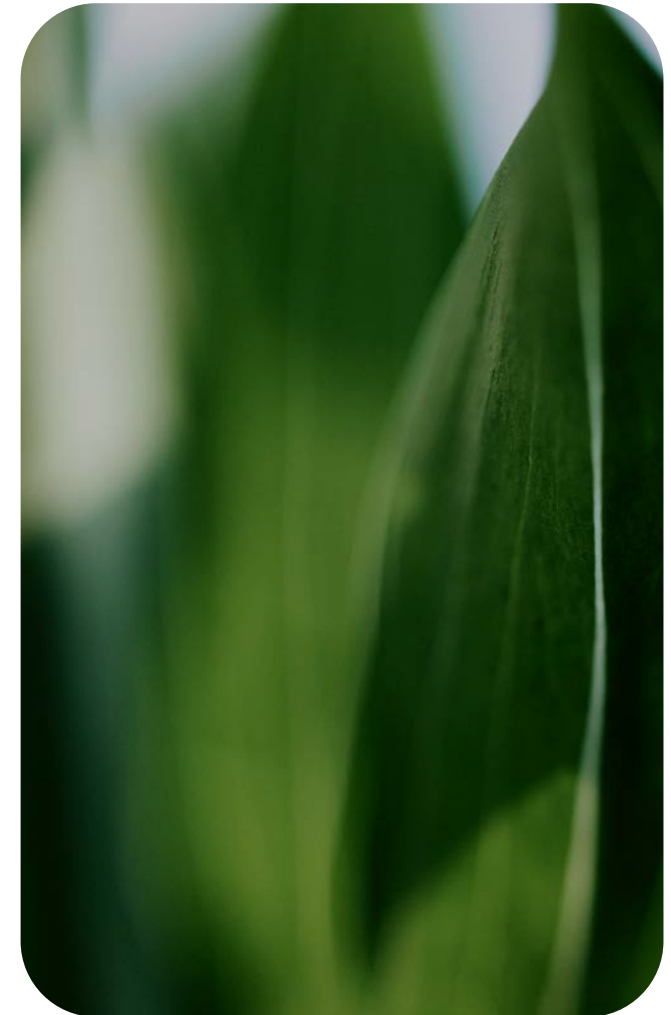
Appendix 4: Transition Plan Equivalence Table

Elements of the Transition Plan	Topics	Location
Foundation	Objectives and priorities	Climate and environmental commitments (p. 10)
		Introduction (p. 12)
		Strategy (p. 17)
Implementation strategy	Unrivalled products	Metrics and targets (p. 81)
	Activities and decision-making	Strategy (p. 17)
		Risk management (p. 60)
	Policies and conditions	Risk management (p. 60)
Engagement strategy		Strategy (p. 17)
Metrics and targets		Metrics and targets (p. 81)
Governance	Responsibilities and remuneration	Governance (p. 48)
	Skills and culture	Strategy (p. 17)



GLOSSARY

AFF	Property Administrators	CSRD	The Corporate Sustainability Reporting Directive
AD	Alignment Delta	DEFRA	Department for Environment, Food and Rural Affairs
AENOR	Asociación Española de Normalización y Certificación (Spanish Standardisation and Certification Association)	DIRSE	Spanish Association of Sustainability Executives
ESG	Environmental, social and governance	HR	Human Resources
ECB	European Central Bank	EBA	European Banking Authority
CCCA	Collective Commitment to Climate Action	EFRAG	European Financial Reporting Advisory Group
CCPP	Owners' Associations	EINF	Statement of Non-Financial Information
CDP	Carbon Disclosure Project	EMAS	Eco-Management and Audit Scheme
CECA	Spanish Federation of Savings Banks	EMEA	Europe, the Middle East and Africa
CH₄	Methane	EPC	Energy performance certificate
CIB	Corporate and Investment Banking	EPBD	Energy Performance of Buildings Directive
CNAE	National Classification of Economic Activities	ESBG	European Savings and Retail Banking Group
CO₂	Carbon dioxide	ESRS	European Sustainability Reporting Standards
COP	Conference of the Parties	ETS	Emissions Trading System
CPD	Data Processing Centres	EU	European Union
CRE	Commercial Real Estate	FAQs	Frequently Asked Questions
CRREM	Carbon Risk Real Estate Monitor	FLAG	Forest, Land and Agriculture





FSB	Financial Stability Board	LMA	Loan Market Association
GAR	Green Asset Ratio	N₂O	Nitrous oxide
GHG	Greenhouse gasses	NAB	National Australian Bank
GHG	Greenhouse Gas	NF₃	Nitrogen trifluoride
GIR	Green Investment Ratio	NFRD	Non-Financial Reporting Directive
GLP	Green Loan Principles	NGFS	Network for Greening the Financial System
HFCs	Hydrofluorocarbons	NZAOA	Net-Zero Asset Owners Alliance
IBEX	Iberia Index	NZBA	Net-Zero Banking Alliance
ICEX	Spanish Institute for Foreign Trade	NZE	Net Zero Emissions
ICO	Instituto de Crédito Oficial	SDG	Sustainable Development Goals
ICMA	International Capital Market Association	OECD	Organisation for Economic Co-operation and Development
IEA	International Energy Agency	OEMs	Original Equipment Manufacturers
IESE	Instituto de Estudios Superiores de la Empresa business school	NGO	Non-Governmental Organisation
IFRS	International Financial Reporting Standards	PBAF	Partnership for Biodiversity Accounting Financials
IMO	International Maritime Organization	PCAF	Partnership for Carbon Accounting Financials
IPCC	Intergovernmental Panel on Climate Change	PFCs	Perfluorocarbons
ISO	International Organization for Standardization	PNIEC	National Integrated Energy and Climate Plan
IROs	Impacts, risks and opportunities	PRI	Principles for Responsible Investment
ISSB	International Sustainability Standards Board	SMEs	Small and medium-sized enterprises



RAF	Risk appetite framework	SSP	Shared Socioeconomic Pathways
RPK	Revenue tonnes kilometre	TCFD	Task Force on Climate-Related Financial Disclosures
CSR	Corporate social responsibility	TNFD	Task Force on Nature-related Financial Disclosures
SAF	Sustainable Aviation Fuels	EU	European Union
SBTI	Science Based Targets Initiative	UNEP FI	United Nations Environment Programme - Finance Initiative
ICFR	System for Internal Control over Financial Reporting	UNFCCC	United Nations Framework Convention on Climate Change
SCIINF	System for Internal Control over Non-financial Reporting	VCS	Verified Carbon Standard
SF6	Sulphur hexafluoride	WBCSD	World Business Council for Sustainable Development
SFDR	Sustainable Finance Disclosure Regulation	WRI	World Resources Institute
SLB	Sustainability-Linked Bonds	WSBI	World Savings Banks Institute
SLL	Sustainability-linked Loans	WWF	World Wide Fund for Nature