

MAIN ASPECTS AND IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES OF THE DOUBLE MATERIALITY ANALYSIS

MATERIAL ASPECTS: Relationship with and impact on the business

The main material issues for CaixaBank include:

CYBERSECURITY

Cybersecurity is one of CaixaBank's priorities in light of increasing internet activity (the rise in the number of vulnerabilities, spread of ransomware at large corporations, attacks on critical infrastructure, greater automation and the commercialisation of cybercrime and cyber fraud). As a financial institution, CaixaBank is a top target for cybercriminals. A successful cyberattack could cause financial losses, disrupt services, damage our reputation and lead to legal repercussions. In order to mitigate these risks, CaixaBank invests in advanced security systems, proactive risk management and raising cybersecurity awareness amongst employees. Placing a priority on cybersecurity safeguards confidentiality of customer data, ensures regulatory compliance and sustains confidence amongst concerned parties. Moreover, it improves business resilience, protecting against disruptions possibly affecting customer service. CaixaBank upholds its commitment to remaining alert and adapting its security measures to combat emerging cyber threats.

CLEAR AND TRANSPARENT COMMUNICATION

Clear and transparent communication is vital for CaixaBank since it directly affects our relationship with our stakeholders, in addition to company expenses, revenue and risks. Clear and transparent communication with the public strengthens trust between the bank and its stakeholders, promoting a long-term relationship based on accountability and commitment. By honestly and coherently communicating the company's values, strategy and results, CaixaBank generates credibility and trust amongst customers, employees, shareholders, suppliers, regulators and society at large. This translates to greater loyalty, satisfaction and reputation. Similarly, by effectively communicating with customers, the bank can save in costs and avoid errors in fee-based credits and processes. In addition, a clear understanding of products increases the likelihood of customers purchasing them according to their requirements, raising bank revenue. Good communication also minimises operational risks and contributes to effective risk management, protecting the company's reputation. Complying with regulations through effective communication can lower financial and legal risks, avoiding fines or penalties with a negative impact on the bank's profitability.

ENVIRONMENTAL FINANCING AND INVESTMENT SOLUTIONS

Environmental investment and financing solutions are strategic for CaixaBank's business. By offering sustainable products and providing ESG solutions, CaixaBank contributes to transitioning towards a carbon-neutral economy, in line with the Sustainable Development Goals. The risks associated with

this material aspect mostly concern possible reputation damage for CaixaBank due to financing possibly controversial environmental projects or sectors with a huge environmental impact. From a financial perspective, the risk for the company lies in financing operations that may generate no returns. For this reason, CaixaBank applies exclusionary environmental and social criteria to its investment decisions and financing, and fosters dialogue with stakeholders to identify and manage risks and opportunities linked to the environment, caring for the planet and society.

IMPACTS FROM MATERIAL ASPECTS

Impact assessment and metrics

The main impacts linked to material aspects for CaixaBank include:

Impact 1 -> CONTRIBUTING TO CLIMATE CHANGE ADAPTATION OR MITIGATION THROUGH ENVIRONMENTAL FINANCE AND INVESTMENT OPERATIONS.

The impact is seen in most bank products and services (over 50%).

The environment, society and consumers/end users are affected by trading activities related to environmental financing and investment solutions, and decarbonisation in both financing and investment operations.

Environmental financing and investment solutions alongside decarbonisation in financing and investment operations are particularly important for external stakeholders. These initiatives address the growing concern regarding environmental sustainability, reflecting CaixaBank's engagement with responsible practices. This concern creates apprehension for customers and investors, which impacts on how the bank is perceived and trusted. Effective management of these aspects not only impacts customer trust but also the company's financial health and reputation. It is therefore essential to hold a strong market position, and satisfy and retain loyalty amongst investors and society as a whole. CaixaBank incentivises practices that support ESG risk mitigation in light of the challenges linked to climate change, implementing proactive environmental and climate risk management in financing and investment portfolios. This reassures stakeholders with regard to the company's long-term resilience and viability. These solutions appeal to investors engaged with sustainability, respond to the growing demand for responsible investments and attracts investors who are seeking to support projects and industries that promote environmentally friendly practices. In this sense, the activity aligns with stakeholder expectations and foster long-term value creation. The efforts strengthen CaixaBank's standing as a sustainable market leader, ensuring it stands out amongst competitors and improving its reputation for sustainability amongst stakeholders.

In this vein, CaixaBank has generated the following impacts:

- **Production metrics:** Financing 16 projects worth 1.196 billion euro in 2023
- **Impact assessment:** Generating 14,475 GWh/year of green energy
- **Impact metrics:** 2,975 kt of CO_{2eq}/year lower GHG emissions

Impact 2 -> RISING EMPLOYEE JOB SECURITY THROUGH FAIR LABOUR CONDITIONS, COMPETITIVE WAGES AND THE OPEN-ENDED CONTRACT MODEL AT THE COMPANY

All CaixaBank employees have fair labour conditions that aim to increase job security for staff, including an open-ended contract model, competitive salaries and fostering individual well-being through healthy habits and work-life balance measures.

The company promotes general open-ended contracts as part of a framework policy to attract stable talent and ensure a sustainable long-term professional career.

The working conditions for all staff are set out in the Collective Agreement for Savings Banks and Financial Institutions, as well as internal agreements that implement and improve on the terms set out in the Collective Agreement. The latest Collective Agreement was signed in April 2024 and led to employees recovering lost purchasing power by implementing an 11% salary scale rise (5% in 2024, 3% in 2025 and 3% in 2026). It also included a review clause where if cumulative inflation over the 2024-2026 period exceeds the 11% rise, a further 3% would be applied from 1 January 2027 onwards. Moreover, a one-off payment for 1,000 euro was made to all staff in 2024.

The principles of the General Remuneration Policy apply to all employees and seek to encourage behaviour that guarantees long-term value creation and the sustainability of results over time, ensuring remuneration models and practices do not discriminate on the basis of gender, age, culture, faith or race at all times, and guarantee a decent wage. The remuneration policy bases its strategy of attracting and retaining talent on providing professionals with the chance to be part of a distinctive social and business project, the possibility of professional development and competitive overall remuneration terms that are 10% higher than the rest of the financial sector (according to a quarterly survey on labour costs from the Spanish Statistics Institute).

Life moments are valued as a distinguishing experience for CaixaBank employees, and in particular we can highlight the company's flexibility, adaptation to personal circumstances and the support it provides during the times when it is needed. This is especially evident in the work-life balance terms it offers employees (sabbaticals, reduced working hours and leaves of absence).

CaixaBank is aware of the need to promote all initiatives and actions that foster a culture of well-being and appropriate safe, healthy, environmentally-friendly working conditions, actively protecting and encouraging people's health and well-being. The We Are Healthy (Somos Saludables) programme is a demonstration of the bank's commitment to fostering well-being in healthy sustainable environments, and improving our employees' quality of life. The activities and campaigns over our online platform serve to raise awareness and offer benefits for the general health and well-being of employees and their families.

Thanks to CaixaBank's efforts in different areas, the following figures for 2023 are highlighted:

New hires, internal mobility, staff turnover:

- **Production metrics:** 635 new hires.
- **Impact assessment:** Positive net change of 136 employees over 2022.
- **Impact metrics:** Overall turnover of 1.1% and voluntary turnover of 0.3%.

Appendix I Definitions for metric types

Production metrics: this refers to the direct environmental or social results due to a company's trading activities in terms of operations, products/services and/or supply chain. The metrics must be directly linked to the material aspect.

Impact assessment: this refers to the process of assessing and quantifying external damage and/or benefits (positive/negative external events) for society and the environment due to the direct environmental and/or social results from a company's business. Business activities. Assessment usually involves quantitative or monetary approaches or a combination thereof. Quantitative assessment measures the impact from positive/negative external events on social stakeholders (e.g. society at large, local communities, consumers/end-users) and/or the environment (e.g. natural capital) in quantitative and non-monetary terms. Monetary assessments measure the impact from positive/negative external events in economic terms (e.g. the social costs of environmental damage).

- **Impact metrics:** The quantitative metric (monetary or not) used to measure the impact on external social stakeholders or the environment. It converts the production metric into a quantitative impact metric by assessing the impact from external damage or benefits (positive/negative external events) for social stakeholders or the environment. Bear in mind that result and impact metrics are directly linked to one another and the material aspect in question, although the metric/unit used may be different.