

MicroBank has published its Annual Report, including the balance of its activity and contribution to the SDGs

MicroBank contributed to the creation of 28,521 jobs directly in 2023 in Spain through its support for entrepreneurs

- **45% of the businesses that have received a microcredit from CaixaBank's social bank are planning to hire new workers this year**
- **The creation of wealth from the businesses backed by the bank had an impact of €4.468 billion on the Spanish economy in 2023, 8.7% more than the previous year**

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MicroBank, CaixaBank's social bank, has contributed to creating 28,521 jobs directly in 2023 via the entrepreneurs that received a microloan or loan from the bank, according to a study on social impact carried out by KPMG Asesores and Stone Soup Consulting. This figure represents a growth of 63.4% compared to 2022 and is a result of the growth of the entity's activity, which granted financing with social impact worth €1,383 million in 2023, an increase of 36.2%.

According to the report, the main contribution to the labour market was through self-employment, but 29% of businesses have also created new jobs for other people since being granted loans. Furthermore, 45% of businesses plan to hire new workers this year. In addition to the direct creation of employment, the businesses supported by MicroBank generate a multiplier effect in the economy thanks to the ancillary activities necessary for their development.

Likewise, 79% of entrepreneurs feel more optimistic about the future of their business and family. In total, 8,621 businesses were started last year with the financial support of CaixaBank's social bank, compared to 5,876 in 2022.

The report also highlights that young people under the age of 35, as well as women and those previously unemployed are the groups that have benefitted the most from the creation of employment through MicroBank's microloans and loans.

"The figures for the contribution to job creation in 2023 are more positive than ever and are the best reflection of the social impact that MicroBank's activity generates", explains Cristina González Viu, CEO of the bank. At the same time, she wanted to highlight "the fundamental role that micro-enterprises and entrepreneurs play in the productive sector and in the country's economy".

The study also showed that most of the employment associated with the activity of businesses financed by MicroBank corresponded to the professional services sector (39%), followed by retail trade (23%), hotels and catering (20%) and construction (9%). The rest is distributed between the primary sector and businesses related to new technologies.

Impact on society

During 2023, thanks to the knock-on effect of its activity, the businesses supported by MicroBank contributed €4,468 million to the Spanish economy (8.7% more than in 2022), of which €2,266 million were direct and €2,202 million indirectly and induced. The global amount was equivalent to 0.3% of Spanish GDP.

Over the course of last year, MicroBank granted up to 138,020 microcredits worth €1,115 million. These operations include both those designed to meet the specific needs of families and microcredits focused on creating or consolidating businesses. In addition, MicroBank granted 6,453 loans to sectors with a social impact, such as education and the social economy, for an amount of €268 million.

MicroBank is contributing to the United Nations Sustainable Development Goals (SDGs) through its activity and business model. Specifically, three priority SDGs have been identified: Goal 8 (decent work and economic growth), Goal 10 (reduced inequalities) and Goal 17 (partnerships for the goals). These three SDGs, in turn, are interrelated with six others, to which MicroBank also contributes transversally and which have to do with job creation, promoting productive activity and economic development, financial inclusion, gender equality and impact on the social economy.

Sustainable banking

MicroBank offers solutions to different segments of the population whose financial needs are not sufficiently met. It has a crucial role in the Sustainable Banking Plan, which is part of CaixaBank's new Strategic Plan, and entrusts it with promoting financial inclusion by providing vulnerable groups access to loans, as well as with enhancing its commitment to the country's socio-economic development.

As the sole shareholder of MicroBank, CaixaBank has supported its social bank since its creation by giving it the funding required to grow its lending activity while marketing MicroBank's products through CaixaBank's extensive commercial network, with the aim of offering customers its entire range of products with the highest possible quality of service and

the best possible relationship.

More than 270 entities throughout Spain also actively collaborate in granting the microloans, contributing knowledge on the borrowers, in addition to advising on and monitoring the projects.

MicroBank also relies on the support of Europe's leading institutions when it comes to promoting enterprise and microfinance, namely the European Investment Fund (EIF), the Council of Europe Development Bank (CEB) and the European Investment Bank (EIB).