

**2020
Consolidated
Non-Financial
Information
Statement**

Bankinter Group

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Letter from the Chairman



Pedro Guerrero, Chairman of Bankinter

As the Chairman of Bankinter, I am pleased to present our 2020 Non-Financial Information Statement. This statement sets out our initiatives and achievements in the area of sustainability and demonstrates our firm commitment to ethical management and corporate transparency. These are priority principles in our Group.

2020 was a very difficult year for everyone. The outbreak of the pandemic forced mobility and social interaction to be restricted, drastically in some cases. Spain had to resort to a state of emergency twice to provide the legal basis for these restrictions. The impact on the economy has been huge. There was an unprecedented fall in economy activity, especially in sectors such as tourism, hospitality and commerce. The fragility of Spain's productive fabric, which had not yet fully recovered from the 2008 crisis, only exacerbated these effects. We saw a sharp decline in the main indicators, with unprecedented falls never experienced even at the worst times in recent history.

The authorities adopted two types of measures to mitigate the economic consequences of COVID-19: the granting of public guarantees for lending by credit institutions to companies; and temporary furlough programmes to reduce employment

costs while companies were unable to operate normally.

From the social point of view, networks were set up to cushion the effects of the economic contraction on families, particularly the most vulnerable. These measures did not manage to minimise the scale of the crisis, but they partly alleviated the consequences of this challenging situation.

The responsibility of our sector was: to maintain the flow of credit to companies as far as possible, to avoid their financial asphyxia; to facilitate liquidity for particularly vulnerable households; and to bolster our balance sheets in anticipation of future increases in non-performing loans. With regard to lending, I believe we have prevented the lack of liquidity resulting from lost income from becoming a widespread business solvency crisis. That would have been catastrophic. We have also strengthened our balance sheets, thanks to the substantial provisions that the entire sector has set aside from its profits. Financial institutions have gone even further than the government in helping SMEs, the self-employed and families with difficulties in meeting their repayment obligations, extending the legally established moratorium and relaxing the conditions imposed by the Government to access it. As

a result, banking has been an integral part of the solution to the coronavirus crisis, not part of the problem.

One positive impact of the pandemic is the boost it has given to the digital transformation that is taking place in banking and the economy as a whole. This will undoubtedly have a positive and lasting impact on the productivity and competitiveness of our businesses, with resulting benefits for the economy as a whole.

We must all identify our responsibility for helping the economic recovery develop on a sustainable basis, in our respective areas of activity and to the best of our ability.

Managing sustainability has historically been one of Bankinter Group's priorities. Its companies have put in place sustainability policies, from which sustainability plans have been developed to foster management in three dimensions – business, social and environmental – in line with the inclusive and sustainable development objective of the United Nations 2030 Agenda.

Bankinter is a member of the Spanish Network of the United Nations Global Compact. As such, it is committed to incorporating the Compact's ten conduct and action principles in relation to human rights, employment rights, the environment and the fight against corruption.

In 2020, the Bank joined the United Nations Environment Programme specifically dedicated to the financial sector and signed the Programme's Principles of Responsible Banking, which aligns our industry with the Sustainable Development Goals and with the Paris Climate Agreement.

These sustainability plans include commitments to develop good corporate governance, facilitate inclusion and financial education, and develop a climate strategy.

Bankinter is developing a new climate change strategy that, in addition to strengthening the Bank's current environmental commitments to become carbon neutral, which it achieved in 2020, also addresses the management of indirect impacts, through the application of environmental and social criteria in its procurement, financing and investment policies. Bankinter has been working in these areas for years. It has already incorporated sustainability criteria into processes such as supplier approval and the granting of financing to companies.

The strategy includes the ambitious goal of increasing our range of sustainable financial products and services, and a plan to involve our stakeholders in joint climate action.

In recognition of all these endeavours, Bankinter has been included in the Dow Jones Sustainability World Index (DJSI) for the third consecutive year. This index ranks us as one of the 25 most sustainable banks in the world, something of which our entire workforce should be extremely proud.

The Bank's sustainable management was recognised by other sustainability indexes and ESG (environmental, social and governance) rating agencies in 2020, such as the FTSE4Good and MSCI ESG, and by publications such as S&P Global's Sustainability Yearbook. Bankinter has also obtained an A- rating from the Carbon Disclosure Project, the global benchmark for business information processes and methodology related to climate change.

The Bank's strong ESG credentials are increasingly valued by institutional investors and proxy advisors, who value corporate strategies that are based on long-term value creation.

But these recognitions are not the end or a goal in themselves. They are an incentive for our organisation to continue excelling in social, environmental and corporate governance, while also producing strong financial results every year.

I would like to thank you for your interest in Bankinter Group's sustainability performance. I invite you to read the details of the initiatives and projects carried out in this area in 2020 in our Non-Financial Statement.



Pedro Guerrero,
Chairman of Bankinter

The 2020 Consolidated Non-Financial Information Statement was prepared in accordance with current commercial legislation, the GRI Standards and the Financial Services Sector Supplement.

Introduction

This document includes the disclosures required by the Non-Financial and Diversity Information Act of 28 December 2018 and details the main aspects of Bankinter Group's business and risk management models, as well as its sustainability plans, environmental, social and employee-related matters, human rights policy, anti-corruption and bribery matters, and management of the relationship with its social environment.

The report also includes a summary of the Group's business model, a description of the policies related to these matters and the measures adopted, the results of these policies, the risk principles related to these matters in connection with the Group's activities, the management of these risks, and non-financial key performance indicators.

The 2020 information on Bankinter Group includes the following companies: Bankinter and its subsidiaries, Línea Directa Aseguradora Group and its subsidiaries, EVO and Avantcard (2020 is the second

year of reporting of the activity of these two companies in Bankinter Group). The scope of each indicator is specified in the indicator tables in the annex to this report.

The 2020 Consolidated Non-Financial Information Statement was prepared according to current commercial legislation and in line with the criteria and principles of the GRI Standards and the Financial Services Sector Supplement. Bankinter Group applies the GRI Standard (exhaustive option) as well as the EU 2017/C215/01 guidelines on non-financial reporting.

This document also includes some information that is provided in more detail in other documents, such as the Integrated Annual Report, the Annual Corporate Governance Report and the 2020 Remuneration Report.

Business model



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Most of the Group's business is in Spain and Portugal, but it is also active in Luxembourg and Ireland.

Business model

Focused and complementary business lines

Bankinter Group pursues several business lines that are well focused and complement each other. It carries out most of its business in Spain and Portugal, but is also active in Luxembourg and Ireland.

Corporate banking is a core activity for Bankinter, as it was initially founded as an industrial bank. The area is divided into several businesses: Corporate Banking (business groups with annual turnover of more than 50 million euros), Mid-Corporate Banking (companies with annual turnover between 5 and 50 million euros) and SME Banking (companies with annual turnover of up to 5 million euros). In line with the strong commitment of Spanish companies to foreign markets, Bankinter also provides services through its International Banking business. The loan book amounted to 28.4 billion euros at the end of the year, 11% higher than in 2019. Loans backed by ICO (the Instituto de Crédito Oficial) played a leading role in this, with 8.6 billion euros of loans arranged, of which 6.0 billion euros has already been drawn down.

Commercial Banking is organised on the basis of the value of the customer's asset: Private Banking (over 1 million euros in assets), Personal Banking (between 75,000 euros and 1 million euros), Individual Retail Banking (assets under 75,000 euros) and Foreigners (customers located mainly on Spain's Mediterranean coast and in the Canary Islands). The business developed satisfactorily in 2020, especially in the segments with the largest asset volumes. Private Banking ended the year on a high note, with 42.8 billion euros in assets under management, up 6% on 2019 after attracting 2.7 billion euros of new net assets during the year. The segment immediately below that, Personal Banking, attracted 2.3 billion euros in new assets, an increase of 9%. This trend is also evident in the mortgage portfolio which, despite business practically grinding to a halt during the most challenging months of the pandemic, grew by 1.7% in Spain, excluding EVO. This is in sharp contrast to the 1.5% decline across the sector, according to Banco de España figures to November. Another product that attracted new customers was

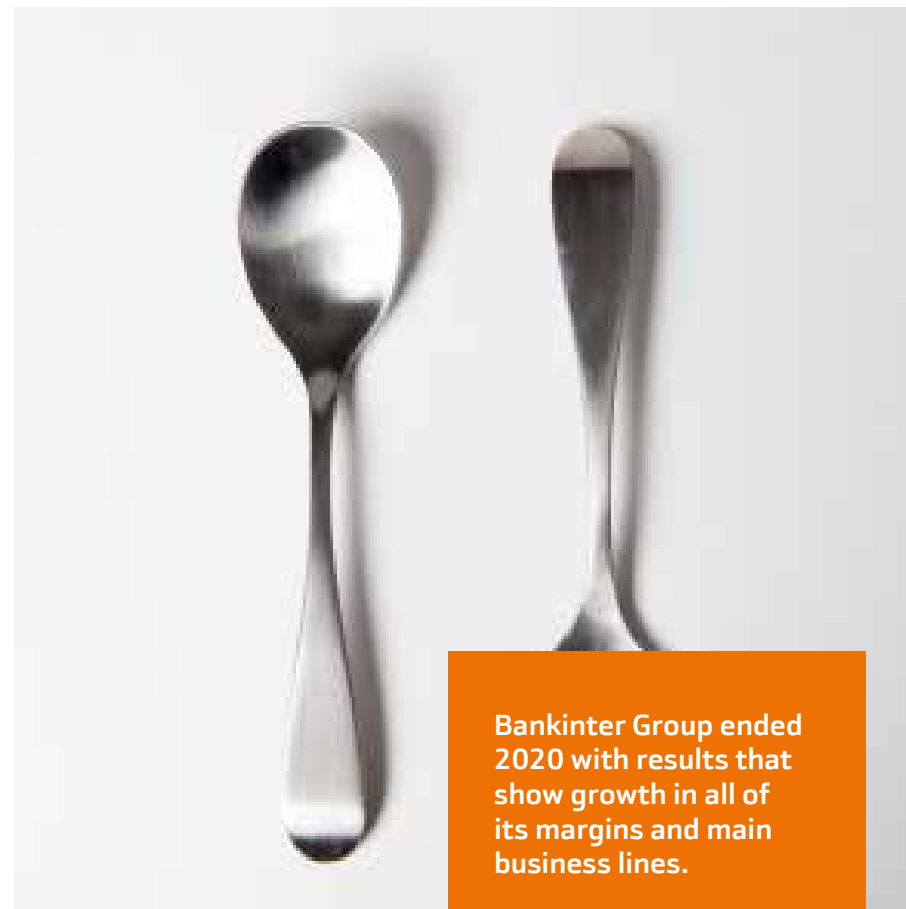
the salary account, one of the most highly rated in the market in its category, building on the healthy performance of previous years to take the portfolio to 12.7 billion euros, up 22%.

The results of Bankinter **Consumer Finance** in Spain, Portugal and Ireland reflect the impact of the pandemic on household spending, which fell during the months of the lockdown and as a result of travel restrictions and the general downturn in economic activity. Even so, the loan book figures are similar to those for the previous year: 2.9 billion euros with a contained non-performing loan (NPL) ratio of 6.2%. Within this business, Avantcard consolidated its position in the Irish market as one of the leading consumer operators and expanded its business to include mortgages through the new brand Avant Money.

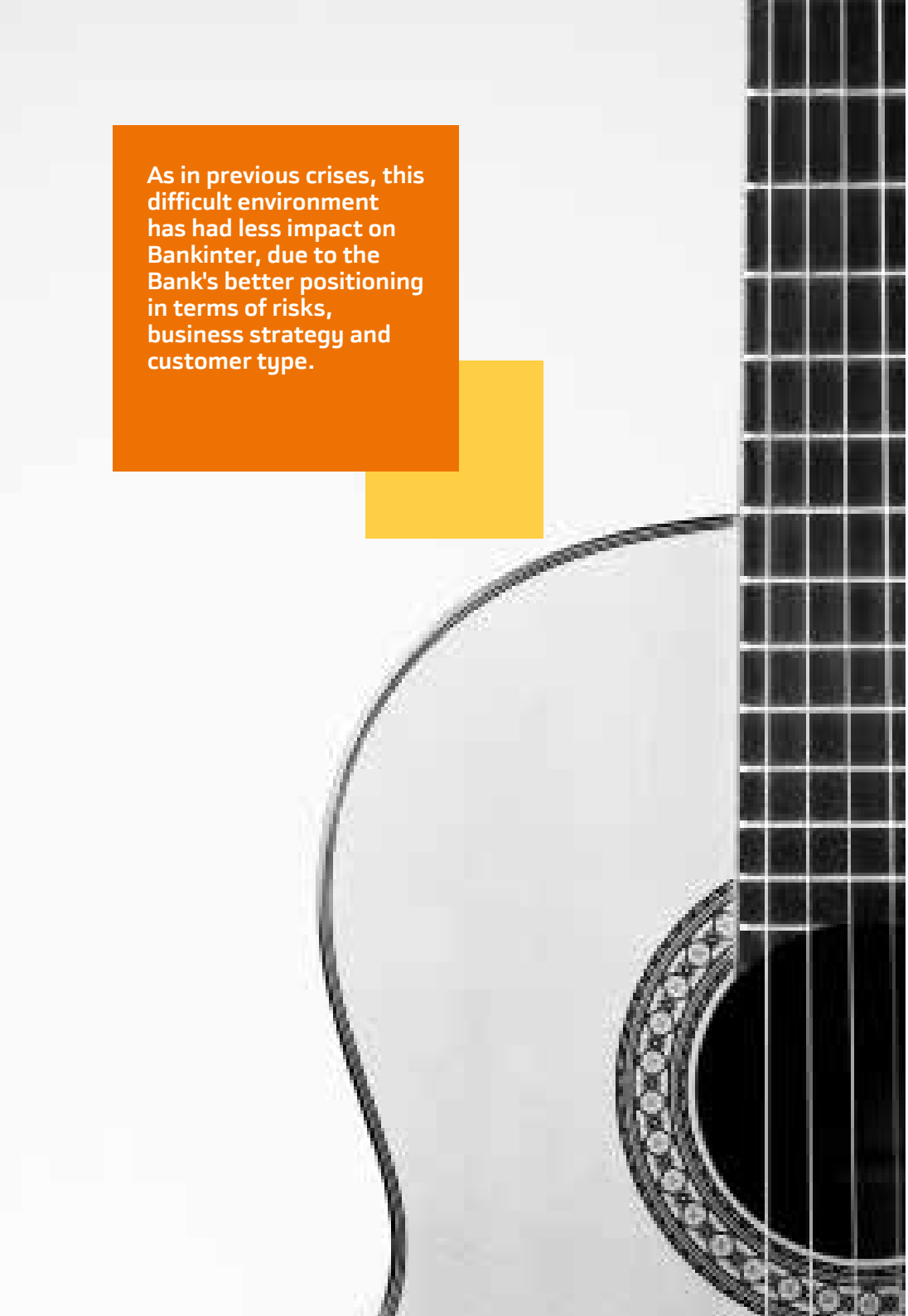
Bankinter Portugal. Bankinter Portugal experienced a similar upwards trend in its customer business, with its loan book ending the year up 7% at 6.6 billion euros. Customer deposits grew by 6% to 4.8 billion euros, while off-balance-sheet managed funds amounted to 3.6 billion euros, an increase of 2%. Margins saw double-digit increases: 10% in net interest income and 13% in gross operating income, driven by the strong performance of fees and commissions. However, profit before tax was 31% lower at 45 million euros, mainly because the Bank has been recognising provisions, rather than reversing them as in previous years.

Línea Directa Aseguradora, a direct insurance provider that is 99.9% owned by Bankinter, achieved a net profit of 135 million euros, 26% more than the previous year, with an ROE of 35% and a combined ratio of 83.4%. Its Solvency II ratio is 276%. It ended the year with 3.22 million insured risks, up 1.7%, while the volume of premiums written grew slightly to 899 million euros.

EVO Banco achieved recognition in 2020 from the market, winning two World Finance awards - Best Digital Bank and Best Financial App in Spain - and from customers, with excellent customer acquisition figures. The digital bank increased its total number of customers (finance and services) by 48% and grew its mortgage portfolio by 38%, after EVO directed most of its commercial efforts towards this business. Savings on the balance sheet grew by 8.5%.



Bankinter Group ended 2020 with results that show growth in all of its margins and main business lines.



As in previous crises, this difficult environment has had less impact on Bankinter, due to the Bank's better positioning in terms of risks, business strategy and customer type.

Strategy

Closeness to customers in difficult times

The economic reality of the year was shaped by the pandemic and the restrictive measures put in place to contain it. These resulted in an unprecedented contraction of the Spanish economy, which was affected more than others because of our greater dependence on sectors such as tourism, leisure and consumption, which were severely hit.

Banking has played a crucial role in this difficult situation, guaranteeing financing for households in vulnerable situations and companies in the worst affected sectors, ensuring the continuity of their businesses.

These measures, together with those launched by public authorities, have cushioned the impact of the crisis, which will continue to generate economic uncertainty over the coming quarters.

In anticipation of this change in the macroeconomic scenario and to strengthen their balance sheets, in 2020 financial institutions made provisions to cover potential impairment of their profits. This will force the sector to redouble its efforts to improve the profitability of its business, which has long suffered from low interest rates, and improve efficiency.

Although this pandemic arrived when the financial sector was much more solvent than at the time of the last crisis, it is still accelerating ongoing restructuring and digitalisation processes. Some of these are well established but others have yet to be defined.

As in previous crises, Bankinter has been able to absorb these adversities due to its strong positioning in terms of risks, business strategy and type of customers.

Despite the extraordinary provisions made by the Bank - amounting to 242.5 million euros - which reduced annual earnings, the results of our business with customers were very positive. There was strong growth in all margins compared to the previous year, demonstrating our commercial drive and the strong results of all business lines. This was despite there being very little business activity during almost a whole quarter of 2020.

Bankinter has developed a strategy based on close relationships with customers, promoting advice and marketing products that contribute greater value and, consequently, higher returns for the Bank. These include investment funds and pensions, brokerage for fixed-income and equity securities, wealth management and alternative investment, where the entity has become a leader in the Spanish market.

In the Corporate Banking area, the Bank's loan book received a major boost from ICO loans. It was also involved in active management of its customers' balance sheets. The Bank also consolidated the strong performance of some of its main sources of income, such as international and transactional business. It achieved this by applying exhaustive models to contain incidents and non-performing loans.

Integration of non-financial aspects into the business

Bankinter has a 2016-2020 Strategic Sustainability Plan, known as "Three in a row". This is built around three axes (economic, social and environmental) aligned with environmental needs and expectations.

The objective of this plan is to respond to three major challenges: economic, due to the change in the production model; social, due to demographic changes; and environmental, due to climate change.

This Sustainability Plan is based on our Sustainability Policy, which was presented to Bankinter's Board of Directors in January 2016, on the recommendation of the Appointments and Corporate Governance Committee.

The policy's principles aim to contribute to the sustainable development of the environment in which the entity operates, based on the three strategic pillars of quality, innovation and technology, in line with Bankinter's corporate values of agility, originality, integrity and enthusiasm.

In 2020, Bankinter developed a new Sustainability Plan for the period 2021-2023. This incorporates best practices in relation to management of non-financial aspects and seeks to continue building on the achievements of recent years, where this management was recognised through Bankinter's inclusion in leading sustainability indexes.

More information on this is provided in the Sustainability Management chapter of this report.



Bankinter has a 2016-2020 Strategic Sustainability Plan known as "Three in a row", which is built around three axes (economic, social and environmental) aligned with the entity's business.

Risk management



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The Board of Directors has ultimate responsibility for risk management and approves the risk strategy every year.

Risk management

A year scarred by the health crisis

The SARS-COV-2 pandemic was an unprecedented adverse event in 2020. This has forced us to take extraordinary measures since March. Both the health crisis and the measures taken to deal with it have had significant effects on productive activity, consumption and, consequently, the economy as a whole.

The Spanish government adopted a range of measures to alleviate the situation for vulnerable families, fostering the flow of credit needed to protect companies and the self-employed. It established two types of legislative moratoriums for individuals and business owners who qualify as economically vulnerable, one for mortgage-secured loans and another for unsecured credit. In both cases, borrowers' payment obligations were temporarily suspended at no extra cost.

In addition to these initiatives, two types of non-legislative moratoriums were implemented, one mortgaged backed and one without collateral, as agreed with other financial institutions, broadening the scope of the moratoriums enacted through these

legislative measures. Accordingly, Bankinter has created a special payment holiday for any customers who are experiencing a temporary lack of liquidity but who, for one reason or another, do not meet the eligibility requirements in the government's Royal Decrees. This involves deferral of repayments of principal for up to 4 months, which may be extended up to a maximum of 12 months depending on the customer's situation.

Spain's official credit institute (Instituto de Crédito Oficial or ICO) has also approved a series of guarantee lines to ensure that the self-employed, SMEs and larger companies have the necessary liquidity and working capital to maintain production and employment. These facilities, which are backed by ICO, are a powerful instrument to avoid the destruction of the productive fabric of the economy and support the extraordinary financing needs of customers. In November, the Government approved, among other issues, an extension to the maturity date of these guarantees for an additional period of 3 years, to a maximum term of 8 years from

arrangement of the transaction guaranteed, and a 12-month increase in the grace period, to a maximum of 24 months.

The Portuguese government has introduced similar measures for the same purposes, with moratoriums for individuals and companies, and also COVID-19 Support for the Economy credit lines coordinated by mutual guarantee companies (Sociedades de Garantía Mutua, SGM).

Since the start of the health crisis, Bankinter's first priority has been to meet the extraordinary financial needs of its customers. It has been very active in applying these measures, along with the other support measures described in the sections of this report and the integrated annual report. The balances for these moratoriums and financing programmes at the close of the financial year are shown in the tables below.

At the close of the financial year, the gross book value of the Group's moratoriums was 2.206 billion euros, with 5.794 billion euros of financing under public guarantee schemes. These balances, as a whole, represent 11.2% of eligible risk.

Analysing the distribution of aid by branches of activity, the wholesale and retail trade sectors stand out markedly. These are followed by manufacturing, due to the relatively large scale of this sector, although hospitality, the arts, entertainment and leisure are also significant in relative terms.

Legislative and non-legislative moratoriums							
	Number of obligors	Gross carrying amount, thousands of euros			Distribution by phases		
		Total	Legislative moratoriums	Unexpired moratoriums	1	2	3
Households		1,704,780	817,968	1,131,603	95.2%	4.4%	0.4%
Secured by residential property		1,537,036	768,816	1,101,205			
Non-financial corporations		484,328	484,232	461,664	87.6%	11.4%	1.0%
Small- and medium-sized enterprises		386,960	386,863	368,239			
Secured by commercial property		152,547	152,547	149,948			
Total loans and advances	23,620	2,206,491	1,319,582	1,610,340	93.0%	6.4%	0.6%

Newly originated loans and advances subject to public guarantee schemes in the context of the COVID-19 crisis							
	Number of obligors	Gross carrying amount, thousands of euros	Distribution by phases				
			1	2	3		
Households		62,447	99.9%	0.0%	0.1%		
Non-financial corporations		5,707,242	97.8%	2.0%	0.2%		
Total loans and advances		30,664	97.9%	1.9%	0.2%		

Implementation of these measures has had a clear positive effect on containing the economic effects of the pandemic. Proof of this is that the volume of exposure with unpaid balances is at its lowest in recent years, being 39% lower in December 2020 than at the end of 2019. This also shows that the potential impairment of the loan portfolio will take a while to show up, based on the accumulated fall in activity. The Bank is actively preparing to deal with the worse times that are expected to come.

Note 1bis of the consolidated legal report provides information on these extraordinary measures, estimates of their economic impact and the Group's policy for hedging these risks.

Bankinter maintains a prudent risk profile

In these extraordinary circumstances, the Group is sticking to its principles and risk appetite levels, and is maintaining a prudent risk profile. Risk management is one of the cornerstones of Bankinter's competitive strategy. The Bank has a risk management model of proven effectiveness that is in line with regulatory standards and best international practices, in proportion to the scale and complexity of its business activities.

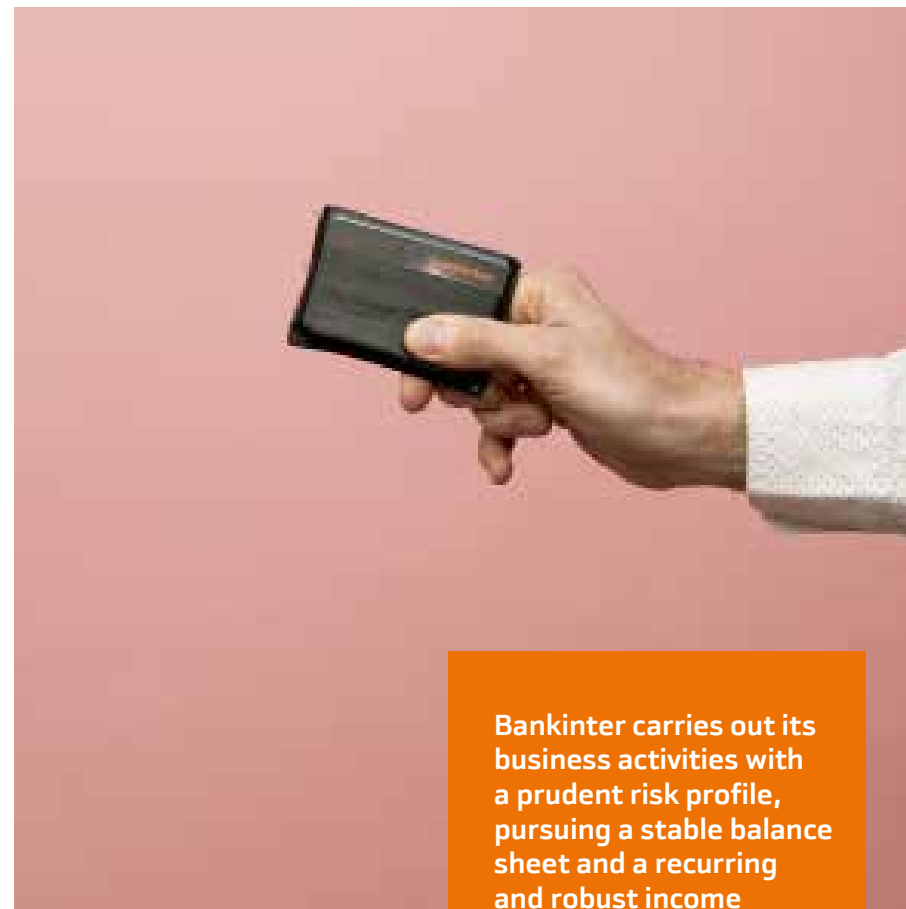
The Board of Directors is ultimately responsible for risk management. It approves the risk strategy and, in particular, defines the risk appetite framework. The risk appetite framework is an internal governance document that defines:

- The type and levels of risk that the Group considers reasonable to accept as part of its business strategy.

- A set of metrics and key indicators to monitor and manage risks. These cover variables such as risk levels and cost, returns, liquidity and capital. Tolerance levels and thresholds are established for each metric. If these are breached, they trigger corrective measures.

The risk appetite framework establishes the following general risk appetite statement and principles, which govern the Group's risk strategy:

Risk appetite statement. To maximise its long-term value, Bankinter carries out its business activities with a prudent risk profile, pursuing a stable balance sheet and a recurring and robust income statement.



Bankinter carries out its business activities with a prudent risk profile, pursuing a stable balance sheet and a recurring and robust income statement.

Risk management principles. The risk appetite and tolerance assumed by the Group are consistent with the following principles:

- Prudent strategies, policies, organisation and management systems adjusted to the size, environment and complexity of the Group's activities, based on quality banking practices.
- The entity respects and complies with established requirements, limits and regulatory restrictions, ensuring compliance with prevailing legislation at all times.
- Maintenance of low or moderate exposure to credit risk with a non-performing loan ratio in the lowest range for the Spanish financial system.
- Appropriate cover for problem assets.
- Returns on the capital invested are adequate to ensure minimum levels of return over the risk-free rate are maintained throughout the cycle.
- Maintenance of a low level of market risk, so that the losses generated in stress scenarios have limited impact on the Bank's income statement.
- Growth in the priority strategic SME segments.
- Balance in the loan book between individuals and legal entities.
- Balanced growth in retail funds.
- Diversification of wholesale funding sources, from the viewpoint of both instruments and markets, maintaining a balanced maturity profile.
- Optimisation of retail funding costs, maintaining a balance between returns on lending and market interest rates.
- Use of a risk diversification policy to avoid excessive concentration levels that might translate into difficulties for the Bank.
- Limits on activities in sensitive industries that might pose a risk to the Entity's sustainability, such as industries associated with development or construction, or that might have a negative impact on its reputation or respectability.
- Moderate appetite for interest rate risk.
- A very small structural position in foreign currencies.
- Enhanced control of the reputational positioning of the Bank (good corporate governance and systemic risks, etc.).
- Determination to complete the level of services Bankinter offers to Private Banking and Corporate Banking customers with limited-risk Investment Banking services.
- Optimising the cost-to-income ratio.
- Maximising value generation for shareholders throughout the cycle through both dividends and increases in the share price, all rooted in a strong capital and liquidity base.
- Maintaining Common Equity Tier 1 (CET1) within the fluctuation band set by the Bank, which exceeds the regulatory minimums. Bankinter also has a corporate governance model that is in line with the most demanding supervisory standards. It has a highly qualified team supported by advanced information systems to stimulate and reaffirm its robust risk culture.

Bankinter's NPL ratio is at the lower end of the range for the Spanish financial system.

 More details of credit, portfolio distribution, structural and market, operational and liquidity risks are provided in the Prudential Relevance Report, the Group's Consolidated Legal Report, the Integrated Annual Report and the Annual Corporate Governance Report.

The reputational risk management model involves preventing such risks, identifying and controlling them proactively to reduce their probability of occurrence and mitigate their impact.

Reputational risk

Proactivity in identifying and controlling risks

Reputational risk is the risk arising when the expectations of stakeholders (such as customers, shareholders, employees and investors) are not met and their reaction can adversely affect our existing or new business relationships with them.

It is essential to understand the unique nature of such risks to manage them. They are unique because they depend on external assessments and can originate from a wide variety of sources, including other risks.

The management for these risks focuses on their prevention, identifying and controlling them proactively to reduce their probability of occurrence and mitigate their impact. The Bank has various tools at its disposal for this:

- Regular measurement of the perception and expectations of the entity's main stakeholders based on RepTrak®, the international standard for measuring and managing reputation.
- Monitoring and analysis of mentions of the Bank in conventional and social media, in addition to active listening to gauge trends in the market and environment.

- Assessment of reputational risk before marketing a product or outsourcing a service.
- Monitoring and quarterly reporting to senior management of metrics for each stakeholder.
- A crisis management protocol to preserve our reputation and business continuity.

All employees are responsible for safeguarding the entity's reputation, guided by a range of manuals on professional conduct and ethics. The training and awareness of all staff is crucial for creating a strong internal prevention culture.

In 2020, the entity made advances in the management model for these risks, updating the prioritisation of stakeholders and the repertoire of reputational risk events, and developing a global indicator for exposure to reputational risk.

Bankinter has a systematic process for identifying, measuring and managing all material risks that affect its activity.

Emerging risks

Measures to prevent and manage them

Bankinter has a systematic process for identifying, measuring and managing all the material risks that affect its activity. The results of these are reflected in our risk map, which is regularly reported to the Risk Committee and the Board of Directors.

Additionally, risks emerging in the medium term are picked up in our normal strategy, business planning and management, and risk processes, also considering guidance from the European Central Bank.

We summarise the main emerging medium-term risks Bankinter has identified, and the measures it is taking to prevent and manage them, below.

Likely increase in non-performing loans:

This risk, which is the main risk in banking activity, took centre stage in 2020, as stated by the ECB in its *Assessment of risks and vulnerabilities for 2021*. As discussed in other sections of this report, the COVID19 health crisis has led to a drastic change in the economic scenario. The extraordinary monetary, fiscal and regulatory measures implemented in 2020 have been decisive in enabling banks to provide liquidity to the economy. But the finances of many

households and businesses, and certain sectors in particular, have suffered a serious external shock that will manifest itself in an increase in non-performing loans.

In June 2020, the Board of Directors approved a plan of extraordinary short- and medium-term measures (known internally as "Enhance Risks") to reinforce anticipation and management capacities in the face of the likely increase in non-performing loans, which had still not occurred at the end of 2020. These measures include: increases in and training of people for monitoring, anticipation and recovery functions; development of information systems and integrated processes that facilitate this management in an efficient, orderly and systematic way; and application of advanced analytics to support the management of these processes.

Bankinter has also made significant extraordinary provisions in anticipation of this increase in non-performing loans, as detailed in the Group's Legal Report for the year.

Macroeconomic risks Before the onset of the pandemic, the reversal of the ultra-expansionary monetary policies of the last decade was proving difficult and was delaying the gradual adjustments in the economic system that occur when prices are working as they should. The need for additional and unprecedented monetary and fiscal measures to respond to the economic effects of the pandemic has significantly accentuated these imbalances. As the European Central Bank has highlighted, there is a significant risk deriving from the increase in public and private debt and its sustainability in a context of lower structural growth. This generates uncertainty about the future that all financial institutions must address, especially those in countries with larger macroeconomic imbalances.

As in previous years, Bankinter is preparing for this risk by maintaining adequate capital levels and a prudent risk profile (as demonstrated by the risk appetite framework discussed above), by monitoring its risk tolerances and limits very closely, and by actively managing the sources of market risk and its liquidity profile, as well as the quality of its assets and capital levels. As a result, Bankinter is currently the Spanish bank with the lowest levels of supplementary capital required by the European Central Bank in its supervisory process (SREP).

Risks of disruption to business models:

Disruptive technological changes are prompting the appearance of new economic agents that are capturing customer relationships and are increasingly emerging as new competitors in certain classic banking business areas, such as payments and collections and business financing.

In response to this risk, Bankinter is continuing its determined digital transformation policy and application of technology to the banking business. These are both areas where it has always enjoyed a leadership position. Bankinter has pioneered the implementation of alternatives to the branch network as customer relationship channels in Spain, such as telephone, Internet and mobile-phone banking and transactions. This makes the Bank one of the competitors with the most accumulated experience in multichannel strategies. This is a major asset for defending and enhancing our customer relationships.

In 2020, the Digital Marketing and Analytics teams moved from the Digital Transformation area to becoming fully integrated into the Bank's organisation. New businesses that are being generated - such as the Popcoin robo-advisor - have been integrated into the commercial organisation. The acquisition of EVO Banco has reinforced innovation and the search for better experiences in the digital customer relationship, without losing sight of the need to generate financial returns. The Bank is using the possibilities offered by the revised Payment Services Directive (PSD2) to reinforce its opportunities to attract and retain customers.

In January 2021, the Bank took another step forward in its determined digital transformation strategy, integrating conventional operational and technological processes (the Operations and Information Systems Divisions) with digital transformation areas and initiatives (Data Management and Analytics, Digital Transformation and Process Innovation) and the product development units into a single division.

Bankinter is a benchmark in the sector in the field of digitalisation, where its long experience has been endorsed by customers. This is borne out by the fact that 95% of its active customers use their phone, computer or tablet for their interactions with the Bank, either exclusively or in combination with other channels. This clearly demonstrates the maturity of this strategy and its robust implementation.

Bankinter is a benchmark in the sector in the field of digitalisation, where its long experience has been endorsed by customers.

Climate risk: This risk presents both a threat and an opportunity at the moment.

On the risk side, the physical risks associated with extreme weather events, which seem to have become more frequent and intense, have been increasing. And transition risks (the potential impacts on customers of changes in policies and regulations to combat climate change) are increasing, as increases in regulation and social awareness of these issues are very likely over the coming years.

However, the European Recovery Plan to combat the pandemic has approved an extraordinary fiscal stimulus (*Next Generation EU*), with 30% of European budget funds now allocated to the fight against climate change, the highest ever percentage. This represents a total of 374 billion euros allocated to the fight against climate change at the European level. This unprecedented stimulus could contribute to reducing physical risks. It represents a great opportunity for investment and contribution to economic growth in the coming years.

In relation to this risk, Bankinter has amended its risk management and control framework to include a range of sustainability principles, which will evolve and increase as best practices in this area mature. It also

includes specific financing policies for sectors with potential environmental impact, such as agriculture, mining and energy. These principles and policies can be found on Bankinter's corporate website.

As detailed in the "Climate change risk management" section of this report, the Bank is making decisive progress in identifying and measuring these risks, in setting achievable objectives and in integrating these risks into the general risk acceptance process, in compliance with EBA guidelines on loan origination and monitoring.

On the risk side, the physical risks associated with weather events, which seem to have become more frequent and intense, have been increasing.



Technological and cyber risks: The European Central Bank has highlighted how the continuous digitalisation of financial services has increased these risks through technological acceleration and organised cybercrime. The ECB's 2020 emerging risks report indicates how interconnections between parties inside and outside the financial system and the outsourcing of services have been intensifying and will continue to do so, increasing the risks of operating incidents. Cybercrime is a growing threat, with the variety and number of attacks on institutions, their customers and their employees constantly increasing. The spread of teleworking as a consequence of the pandemic has intensified these trends.

But the financial sector has intensified its focus and investment to address this. Bankinter pays the utmost attention to these risks, with detailed, ongoing monitoring and management in accordance with the recommendations in the European Banking Authority's GL 2019/04 on information technologies and security risk management. Bankinter has ISO 27001 certification for Data Security and ISO 22301 certification for Business Continuity Management.

The first line of defence for cybersecurity is the Information Security Division, which operates independently of the Information Systems operational function. This division monitors and manages external attacks on an ongoing basis. It has put in place procedures for information and escalation to senior management of the actions required according to the importance of the incidents, to ensure they are addressed immediately. It also actively monitors cybersecurity incidents around the world to ensure continuous improvement of adaptation and defence mechanisms. It runs regular and frequent awareness and simulation campaigns with customers and employees.

It regularly performs systems continuity tests for response to rare or extreme technological operational risk incidents and has a rigorous outsourcing policy to ensure the highest standards of service levels and security even before services are implemented.

As a second line of defence, Risk Control continuously monitors the performance and results of all controls and prevention mechanisms.

Bankinter's systems have shown enormous resilience and adaptability in the pandemic, enabling up to 90% of the workforce to work remotely at the most difficult times. Safety awareness campaigns have been intensified with customers and employees. At the technical level, the mitigating controls for the projects and processes in the Security Master Plan have enabled control of all attack vectors, aligning all regulatory and technical security policies throughout the remote working model. A robust remote connection model has also been created for third parties, based on isolated virtualisation.

Reviewing all our activity, we can say that attacks have evolved in accordance with the new situation resulting from the pandemic. In this context, we have contained all of the threats in the exercise effectively, maintaining appropriate security levels in Bankinter and guaranteeing the confidentiality, integrity and availability of our digital assets.

The first line of defence for cybersecurity is the Information Security Division, which operates independently of the Information Systems operational function.

Bankinter is working actively to align with guidelines and regulations on the impact climate change will have on financial institutions.

Climate change risk management

Bankinter is working actively to align with guidelines and regulations on the impact that climate change will have on the loan books of financial institutions.

This rating system will also enable ranking of the portfolio from lowest to highest sensitivity to risks related to the climate and the environment. Specific policies will then be developed for the most vulnerable segments.

It has set up three lines of work:

1) Identification and measurement:

A rating system is being implemented to enable assessment of the physical and transition risks of the credit risk portfolio for legal entities. This rating will consider variables related to the company's activity and the geographic location of its headquarters and facilities, and its size and credit quality, which could help with investment to adapt to regulations related to this risk.

The distribution of the loan book with financial and non-financial companies resident in Spain at 31 December 2020 is shown below, with a scale of five levels based on sensitivity to climate factors:

Risk group	Amount committed (€mn)		Physical risks				Release of carbon	Transition (potentially sustainable)
			Temp.	Wind	Water	Land		
1	21,739	54%	0%	0%	0%	0%	1%	1%
2	11,277	28%	2%	0%	2%	2%	2%	43%
3	3,049	8%	5%	0%	5%	5%	6%	7%
4	3,293	8%	10%	1%	10%	10%	14%	18%
5	1,018	3%	3%	0%	3%	3%	80%	25%
Total	40,376	100%	2%	0%	2%	2%	4%	15%

As we can see, 82% of the exposure (risk drawn down plus committed) is concentrated in the two best rating levels. Only 3% is in the riskiest rating level, which contains the most polluting activities.

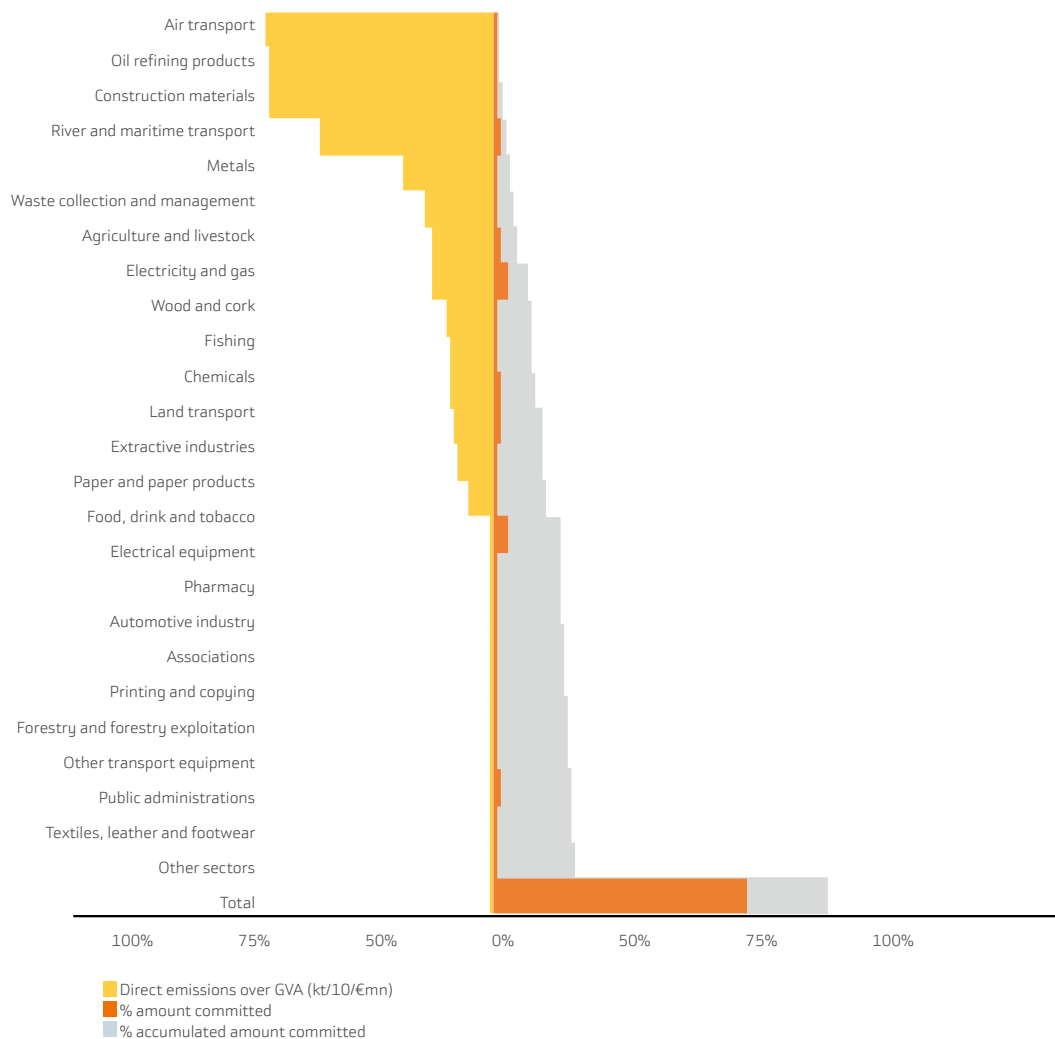
The following table shows the distribution by activities and the associated average, minimum and maximum ratings:

Sector	Amount committed (€mn)	Average rating	Minimum rating	Maximum rating
Oil refining products	294	976	892	979
Metals	351	733	435	808
Chemicals	607	665	462	745
Extractive industries	164	636	281	905
Construction materials	413	610	285	796
Air transport	102	559	427	577
Paper and paper products	202	555	311	684
Other transport equipment	890	552	351	693
Insurance	210	532	3	558
Rubber and plastics	269	512	403	551
Textiles, leather and footwear	286	512	244	740
Agriculture and livestock	623	507	217	740
Water distribution	166	505	367	540
Pharmacy	113	500	380	536
IT, electronic and optical products	98	491	289	661
Waste collection and management	122	490	285	682
Electrical equipment	156	455	355	510
Machinery and equipment not included elsewhere	479	434	337	460
Automotive industry	272	433	335	462
Food, drink and tobacco	1,564	402	59	672
Furniture	171	392	215	477
Wood and cork	130	359	276	513
Metal products, except machinery and equipment	595	351	8	652
Electricity and gas	1,365	337	75	983
Forestry and forestry exploitation	20	316	13	517
Accommodation and hospitality	2,183	316	10	503
River and maritime transport	521	279	189	419
Fishing	47	252	186	454
Real estate construction and development	4,204	244	12	400
Land transport	875	219	111	272
Wholesale trade	4,351	181	49	316
Transport storage and ancillary	868	173	53	395
Sports, leisure and entertainment services	272	154	91	303
Printing and copying	112	152	61	183
Other sectors	17,280	37	8	177
Total	40,376	209		

The rating is expressed through a score in the range [0 to 1000], which is divided into five bands.

As a complement, relative indexes are also constructed for sectors of activity with respect to both direct CO₂ equivalent emissions (level 1) and the carbon footprints of the final products, considering the spread of emissions through the value chains (input-output tables). This information is particularly useful for estimating the sensitivity of the loan book to increases in emission prices:

Direct emissions of greenhouse gases (CO₂ equivalent)



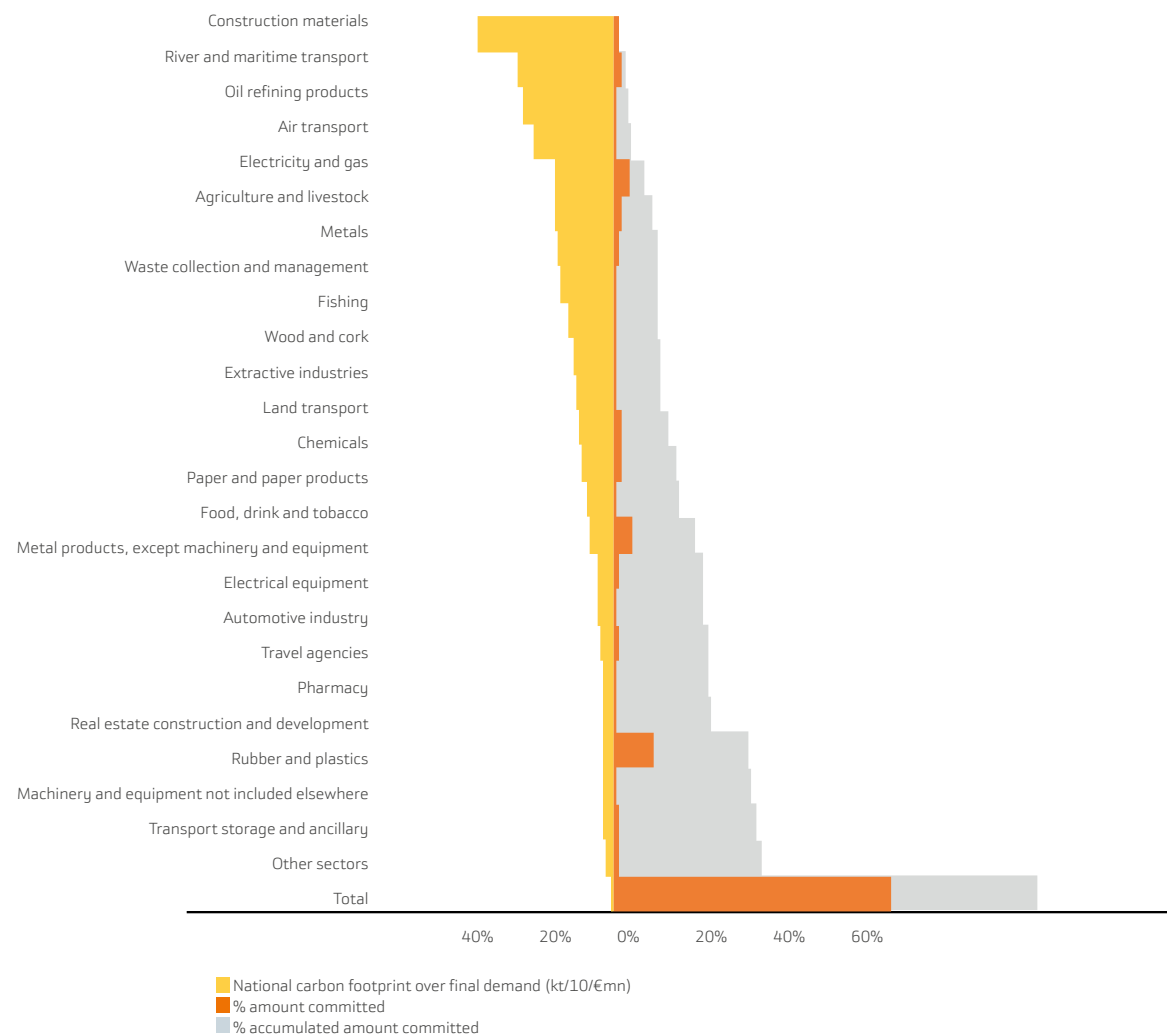
Prepared from National Institute of Statistics figures on atmospheric emissions by areas of activity (2019 est) and the Bank's portfolio of non-financial companies in December 2020.

As we can see, Bankinter's exposure to the most polluting activities and those with the highest density of emissions in the final products is very low, even excluding financial activities.

Bankinter is incorporating the PCAF (Partnership for Carbon Accounting Financials) methodology to calculate the emissions it is financing. This methodology is often used by other financial institutions. This will enable us to align our portfolio with the objectives of the Paris Agreement and emission reduction targets.

The influence of climate risk on the mortgage loan book is defined by the geographical location and other variables related to the construction of the property and its characteristics. This requires accurate information that must be collected through property appraisal processes. Dialogue has therefore been opened with Bankinter's approved appraisal companies so that the information needed to identify physical and transition factors can be progressively incorporated.

Carbon footprint of final products



Prepared from National Institute of Statistics figures on atmospheric emissions by areas of activity (2019 est) and Input-Output tables for the Spanish Economy updated in December 2019. The exposure relates to the Bank's portfolio of non-financial companies in December 2020.

2. Setting objectives and tolerance thresholds:

In addition to Bankinter's sustainability policy, which includes limits and exclusion criteria for activities with potential environmental impacts, the Bank is working to establish achievable objectives related to these effects considering the details of its portfolio. The Bank is committed to developing a policy that facilitates the transition to a sustainable economy. As the Paris commitments involve progressive, long-term adaptation paths, the Bank has to confirm the degree of alignment of its portfolio with these commitments. It therefore intends to adopt the PACTA (Paris Agreement Capital Transition Assessment) methodology.

3. Integration into the general risk process:

Bankinter is making progress with the incorporation of climate and environmental risks into its normal risk management process through these measurements. The rating being implemented will be very useful for providing individualised ratings according to the characteristics of each customer. This rating is complemented by additional sensitivity indicators for various physical and transition risks, with a range of uncertainty. This will enable us to focus on the dialogue we need with our customers to understand their situation and financing needs for the transition process.

This must be backed up by a training programme.



The influence of climate risk on the mortgage loan book is defined by the geographical location and other variables related to the construction of the property and its characteristics.

The Entity has established different levels of management or "defence", guaranteeing that for each type of risk identified

Risk management at Línea Directa

In line with the best practices in the sector

Línea Directa Aseguradora has a risk management structure in line with the best practices in the sector.

The risk management function is decentralised in LDA's various areas. The Internal Control and Risk Management Unit, which reports to the Risks and Corporate Governance Division, is responsible for unifying and integrating all of the Entity's risk reporting and for applying and verifying compliance with the Risk Control Policies.

The Internal Risk Management and Control Unit unifies all information relating to Línea Directa's risks, integrating this into the Corporate Risk Map, monitoring changes through the Key Risk Indicators (KRIs) dashboard and reporting on them to the Permanent Risk Committee.

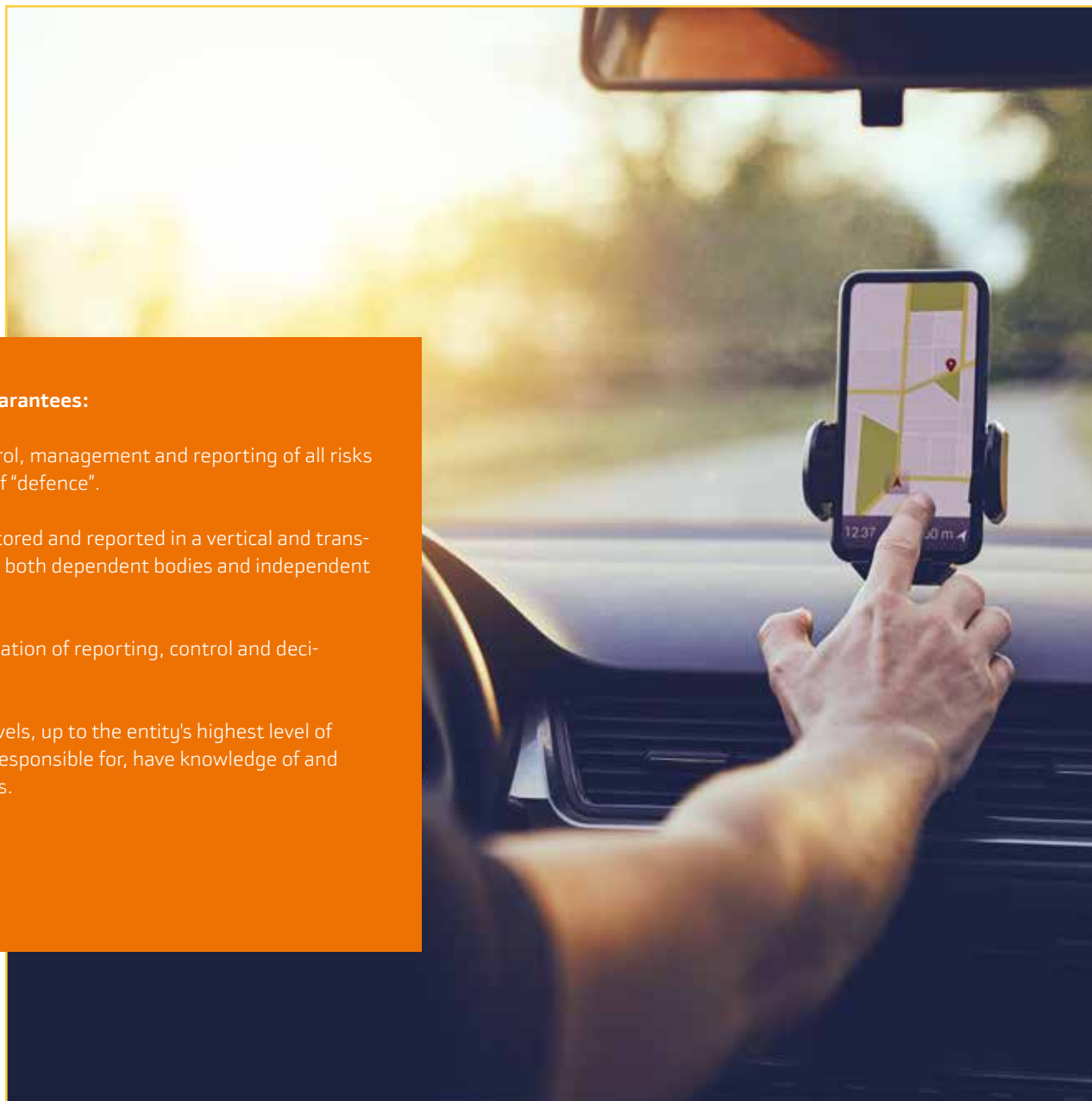
The entity has established different levels of management or "defence" to ensure adequate management and control of each risk, ensuring that for each type of risk identified there is:

- A management unit directly responsible for the day-to-day or current management of these risks, acting as the first line of defence.
- A structure of committees, with each in charge of identifying, managing and reporting risks to the organisation's governance bodies, to which the management units report and submit decisions. In accordance with their composition and functions, these committees are executive committees, as they take decisions relating to the risks they manage.

- A person responsible for managing and coordinating all of the entity's risks; i.e. the Chief Corporate Governance and Risk Officer
- Control functions as the second line of defence; i.e. the Risk Management function, the Actuarial function and the Compliance function.
- An oversight function as the third line of defence; i.e. the Internal Audit function.

this structure guarantees:

1. Adequate control, management and reporting of all risks at various levels of "defence".
2. Risks are monitored and reported in a vertical and transversal manner, by both dependent bodies and independent control functions.
3. Adequate escalation of reporting, control and decision-making.
4. That various levels, up to the entity's highest level of governance, are responsible for, have knowledge of and control these risks.



Management of non-financial risks

Bankinter has also established ESG (environmental, social and governance) criteria in its Risk Framework Agreement, as well as financing policies with non-financial criteria for certain sectors considered to be of particularly significant environmental and social impact.

Bankinter Group has implemented processes for identifying and controlling non-financial risks throughout its value chain and, more specifically, in the issues and topics related to the environment, internal and external social matters, human rights, fighting corruption, the supplier chain and customers.

Environmental risks

Bankinter Group has environmental management systems in place to identify, control and mitigate the direct environmental risks of its business. It also has policies (Environment Policy, Sustainability Policy) and internal committees (Sustainability Committee, Management Systems Committee) that serve as the framework for these risks and their control.

As regards indirect environmental aspects, a climate change strategy has been established to identify short-, medium- and long-term risks and set objectives for their progressive mitigation over a range of time horizons. This strategy follows the recommendations of the most important international initiatives, such as the TCFD (*Task Force on Climate-*

Related Financial Disclosure). As explained in the Climate Change Risk Management chapter, Bankinter is working actively to align itself with guidelines and regulations related to the impact climate change will have on the loan books of financial institutions. This involves three lines of work: Implementation of an internal rating to assess exposure to these risks, setting objectives and tolerance thresholds and integrating these into the general Risk process.

Bankinter has also established ESG (environmental, social and governance) criteria in its Risk Framework Agreement, as well as financing policies with non-financial criteria for certain sectors considered to be of particularly significant environmental and social impact.


0 This information is provided in greater detail in the chapters on sustainability management, environmental matters and commitments to sustainable development.

Social risks

With regard to internal social matters, Bankinter Group has policies (such as the sustainability, human rights and diversity policies), procedures and training plans to ensure a well trained workforce (in work practices and current regulations and those that might emerge in the short and medium term), with the possibility of continuous development and guaranteed equal opportunities, diversity and respect for the rights of employees.

This information is provided in greater detail in the chapters on social and staff-related matters and on human rights.

In relation to external social matters, Bankinter has implemented mechanisms to facilitate dialogue with its stakeholders to identify their needs and expectations and manage the possible short-, medium- and long-term risks proactively, ensuring an adequate response. It also has a strategy and policies in place to ensure that its partnerships with the third sector generate high-value projects within the framework of the defined social action lines.

 This information is provided in greater detail in the chapters on sustainability management and commitments to sustainable development.


Human rights risks

Bankinter Group has implemented general human rights policies setting out its commitment to respecting, supporting and protecting human rights as part of its business activity and relations with its stakeholders in the environment in which it operates (employees, customers, suppliers and other commercial partners) under the UN motto: 'Protect, respect and remedy'.

Accordingly, as part of the supplier approval process, the Bank requires suppliers to commit to protecting human rights while carrying out their business.

In line with these principles, Bankinter's financial and investment analyses include the obligation not to finance transactions that may result in violations of human rights.


The Bank has identified and assessed the human rights risks in relation to its main stakeholders.

 More information on this aspect may be found in the chapter on human rights.

Corruption risks

Bankinter Group has implemented strict systems and policies to guarantee regulatory compliance and prevent corruption and money laundering in relation to its main stakeholders, identifying the possible short-, medium- and long-term risks and establishing policies and procedures to mitigate them, such as the codes of ethics and anti-corruption and anti-money laundering policies.


To demonstrate its zero-tolerance policy towards crime, the Bank has adopted all measures necessary to convey this commitment and the obligation to prevent, detect and prosecute crime in all its forms and to the full extent at all levels of the Bank's structure.

 More information on this aspect may be found in the chapters on fighting corruption and on human rights.

Other risks related to stakeholders

As part of its value chain, Bankinter Group analyses the possible short-, medium- and long-term risks that exist or may arise from its relations with customers, suppliers and society in general.

For example, there are channels of dialogue with these groups, managed by different areas that have established their own policies and procedures to monitor, control and mitigate possible situations that may lead to risks for Group companies. Most notable among these measures are the codes of ethics implemented for employees and suppliers, the work carried out in the Quality Area and Customer Service Area, continuous monitoring of corporate reputation and the relationship with third-sector organisations.

 This information is provided in greater detail in the chapters on sustainability management, quality, the customer service area and commitments to sustainable development.

**Sustainability
management**



**2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT**



Sustainability management

The 'Three in a Row' strategy

Bankinter's sustainability strategy is based on the 2016-2020 'Three in a row' plan for responsible management of the three business dimensions (economy, society and the environment) to generate three-fold value in the countries where the Bank operates.

The plan is based on the Sustainability Policy approved by the Board of Directors in January 2016 to contribute to the sustainable and inclusive development of the environment, based on the Bank's three strategic pillars of quality, innovation and technology, in line with its corporate values of agility, enthusiasm, integrity and originality.

The Sustainability Committee is the executive body responsible for ensuring the correct implementation of the plan. With the Bank's Chairman at its helm, the committee is made up of the managers of the areas that are key to the integration of ESG (environmental, social and governance) criteria into decision-making throughout the value chain.

The definition of the sustainability strategy is based on references including:

- The United Nations Sustainable Development Goals (SDGs) challenges
- Regulations such as the Law on non-financial information and diversity and the CNMV's Good Governance Code of Listed Companies.
- Analysis of the results of assessments by leading ESG analysts and rating agencies.
- International standards and frameworks related to sustainability management (GRI, IIRC, ISO 26000, SGE 21, etc.).
- Consideration of the best practices of global sector leaders.
- Analysis of the results of satisfaction surveys filled in by stakeholder groups such as customers and employees.
- Analysis of reputation measurement models, such as RepTrak.

The objective is to ensure responsible management of the three business dimensions (economic, social and environmental).

The sustainability policy is supplemented by the entity's other internal policies.

Bankinter is included in the most prestigious sustainability indexes, such as the Dow Jones Sustainability World Index, which recognises Bankinter as one of the twenty five most sustainable banks in the world.

The Bank also appears in other leading sustainability indexes, including the FTSE4Good, MSCI and Carbon Disclosure Project. It also appears in the 2020 Sustainability Yearbook published by Robeco SAM.

In addition to exercising direct control over the organisation's social action and environmental management, the Sustainability Division also acts as an observatory of trends and risks based on ongoing engagement with stakeholders. This provides first hand knowledge of their expectations and allows the Bank to identify requirements in an ever-changing environment, with a view to including these in its sustainability strategy.

It also fosters coordinated action among areas to develop initiatives based on responding to these needs. Similarly, it proposes and monitors the programmes contained in the strategic plan, verifying the degree of compliance with objectives and identifying areas for improvement, according to recognised ethics and sustainability standards and indexes.

The 2016-2020 Plan establishes 17 strategic economic, social and environmental lines.

- Good governance
- Sustainable practices
- Customer-oriented services
- Socially responsible investment
- Sustainable products
- Responsible supplier management
- Communication and training

Social dimension

- Financial inclusion
- Advanced people management
- Volunteering
- Citizenship
- Social footprint management
- Bankinter Innovation Foundation
- Communication and training

Environmental dimension

- Climate change strategy (carbon footprint)
- Environmental management system
- Communication and training

The Bank has implemented a management system that facilitates reporting on 149 primary indicators included in the dashboard, to make it easier to monitor the development of the Sustainability Plan's lines of action and the degree to which their objectives have been achieved.

The Bank also establishes an annual sustainability training plan with objectives such as training the workforce in the application of human rights in business, or providing employees with specific qualifications in key areas like risk and asset management, and in the knowledge and application of ESG criteria in their tasks.

Bankinter is included in the most prestigious sustainability indexes, such as the Dow Jones Sustainability World Index.

Stakeholder engagement

Bankinter identifies the aspects of its activity that have the greatest impact on the environment through a management system for the needs and expectations of its main stakeholders. The system is based on the guidelines in the international framework for non-financial reporting, the Global Reporting Initiative (GRI).

The Bank performs regular significance studies that enable it to improve the effectiveness of its engagement channels for social agents, classifying priority matters using two parameters: the maturity of aspects related to financial activity according to sustainability analysts, and the importance assigned to these aspects by the Bank's main stakeholders, such as customers, employees, suppliers, social and sector opinion leaders, the media and society in general.

Stakeholders	Engagement channels	Parties responsible for management
Shareholders	Shareholders Office Annual general meeting	Head of Shareholders Office
Investors and analysts	Roadshows Meetings Questionnaires	Director of Investor Relations Head of Sustainability
Customers	Quality surveys Customer Service Area External ombudsman Banco de España Multichannel banking	Director of Quality Director of Legal Affairs
Regulatory bodies (Banco de España, CNMV, ECB)	Circulars	Chief Compliance Officer Relations with supervisors
Employees	Global surveys Assessment Whistleblowing channel Queries mailbox Meetings with workers' representatives Intranet	Director of Human Resources Chief Audit Executive Director of Quality Director of Internal Communication Head of Sustainability
Suppliers	Procurement portal Follow-up meetings Questionnaires	Director of Efficiency and Transformation Head of Sustainability
Partners Universities and business schools	Meetings Forums Workshops	Director of Fundación Innovación Bankinter Director of Communication and CSR
Third (voluntary) sector	Social engagement mailbox Meetings	Head of Sustainability
Media	Press conferences Press releases Social networks Press room External mailbox	Director of Communication and CSR
Society (others not previously included)	Social networks Corporate website RepTrak survey	Director of Communications and CSR Director of Reputation

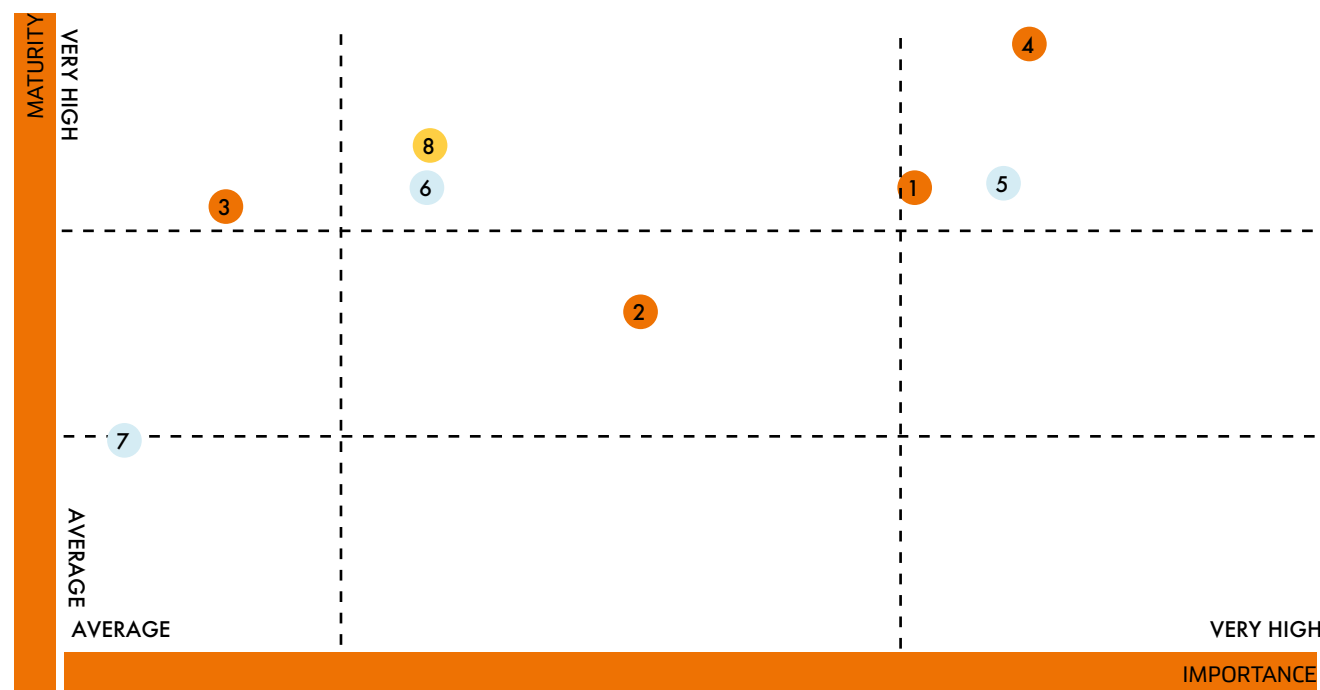
Materiality analysis

Bankinter has performed materiality analysis as part of the design process for a new Sustainability Plan for 2021-2023. This is based on sending a questionnaire to its main stakeholders, to:

- Engage them in joint creation of the new Plan.
- Understand their needs and expectations.
- Identify the sustainability issues they consider most relevant and incorporate these into the new Plan.
- Obtain suggestions and comments from stakeholders to continue the continuous improvement of the management of environmental, social and good governance aspects, and on the generation of shared value.

The maturity of aspects related to financial activity was also taken into account, in accordance with leading analysts.

The matrix below shows the aspects considered of medium, high and very high importance by stakeholders, and the degree of maturity shown by the Bank in managing these aspects. In addition, the related topics within each of these major aspects have been ordered by their importance for stakeholders.



Economic dimension

1. Customer relationship management (Economic)
2. Business strategy (Economic)
3. Corporate governance (Economic)
4. Ethics (Economic)

Social dimension

5. People management (Social)
6. Relations with the community (Social)
7. Supply chain management (Social)

Environmental dimension

8. Climate change and natural capital strategy (Environmental)

Matters related to customer relationship management

Provide a quality service focused on customer satisfaction

Establish a transparent and balanced business relationship

Guarantee the privacy of personal data.

Offer multichannel financial services: physical branch, telephone banking and online banking

Offer accessible physical and digital channels

Matters related to business strategy

Apply innovation in new technologies, products and marketing systems.

Implement policies and procedures to ensure information security.

Include environmental, social and good governance aspects in the business model and corporate strategy.

Design and market sustainable products with added social and/or environmental value.

Include the analysis of social and environmental risks in investment and financing operations.

Market sustainable investment products.

Matters related to corporate governance

Control and management of non-financial risks (environmental, social and good governance) in operations, purchases and investments.

Functions and composition of the Board of Directors (balanced, diverse, qualified, etc.)

Transparency in the remuneration of the Board of Directors.

Ethics related matters

Implement internal mechanisms to prevent corruption and money laundering.

Adopt a public commitment to comply with human rights and include risk management for violation of these rights in the Group's activities and the activities of third parties in their relations with the Group.

Exclude from our portfolio any products and services linked to controversial activities.

Implement internal mechanisms to ensure compliance with the code of conduct and access to whistleblowing channels for employees, customers, suppliers, etc.

Implement regulatory compliance programmes.

Provide transparent information on tax strategy in the countries in which we operate.

Issues related to people management

Job creation and stability.

Working environment.

Professional development opportunities.

Equal opportunities.

Health and safety management.

Talent attraction and retention.

Work-life balance measures.

Corporate aid and benefits.

Provision of training.

Aspects of community relations

Promote dialogue with the communities in which the Bank operates and support social investment.

Identify and manage the value generated in the community from social contributions, including impacts and achievements.

Develop a corporate volunteering programme.

Supply chain issues

Include environmental, social and governance criteria in the supplier approval process.

Implement a responsible procurement policy.

Implement a code of conduct for suppliers and mechanisms to monitor compliance with it.

Matters related to the climate change and natural capital strategy

Manage resources (energy, water, materials) efficiently.

Implement a climate change and biodiversity strategy.

Introduce circular economy measures: reduction, reuse and recycling in resource management.

Manage the carbon footprint (management of direct, indirect and induced CO2 emissions).

Involve stakeholders in the climate change strategy.

Manage the impact of financial activity on natural capital.

2021-2023 Sustainability Plan

A new 2021-2023 Sustainability Plan has been defined based on the results of the materiality analysis and the main trends and regulations in relation to ESG aspects of financial business.

This plan is more ambitious than its predecessors, seeking to respond to the growing expectations of the Bank's stakeholders about the sustainable management of its business.

Work has been done for each of the strategic lines with the responsible areas in the Bank's Sustainability Committee. This has included the design of programmes, management indicators, impact indicators and objectives for the next three years.

GOVERNANCE

- Corporate governance
- Responsible business practices
- Non-financial risks
- Sustainable finance
- Stakeholder engagement
- Tax strategy
- Customer-centric services
- Information security



SOCIAL

- Financial inclusion
- Human rights
- Advanced employee management
- Fundación Innovación
- Volunteering
- Citizenship
- Solidarity products



ENVIRONMENTAL

- Climate change strategy
- Management systems
- Biodiversity



The new Sustainability Plan aims to meet the growing expectations of stakeholders in relation to the sustainable management of the Bank's business.

Línea Directa Group sustainability strategy

In 2020, Línea Directa Group launched its 4th Sustainability Plan, for the period 2020-2022. Following the completion of the 3rd CSR Master Plan 2017-2019, the company wanted to adapt the concept of corporate social responsibility, which gives greater weight to external communication, reputation and social action, to evolve its Plan towards the concept of sustainability, which overlaps corporate strategy with ESG dimensions. The Board of Directors has the ultimate responsibility for supervising the Group's sustainability management. Its Sustainability Committee, comprising the Management Committee, the CEO and the Chairman, meets every six months to supervise and promote approved actions in this area.

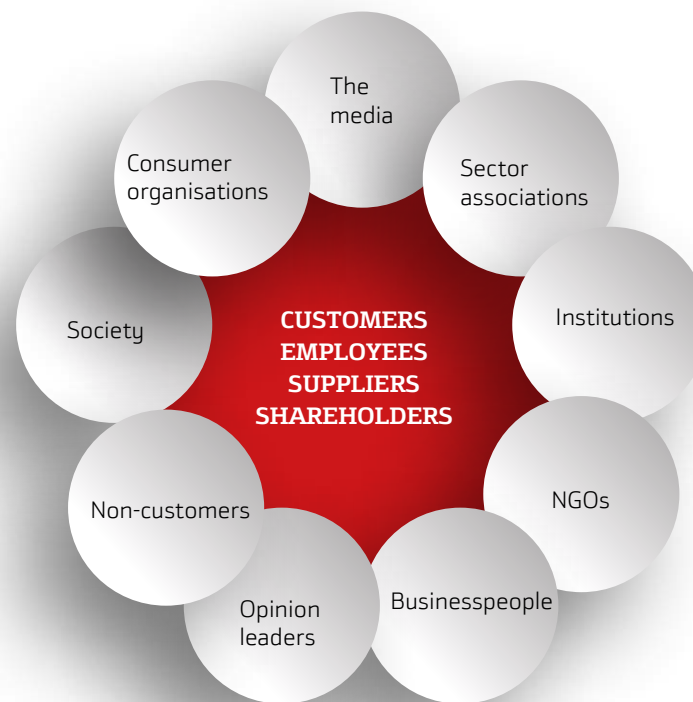
In a new development, the 4th Plan incorporates a commitment to the United Nations global development strategy, as embodied in the sustainable development goals (SDGs) and the 2030 Agenda. Línea Directa Group has associated itself with 8 of the 17 SDGs:

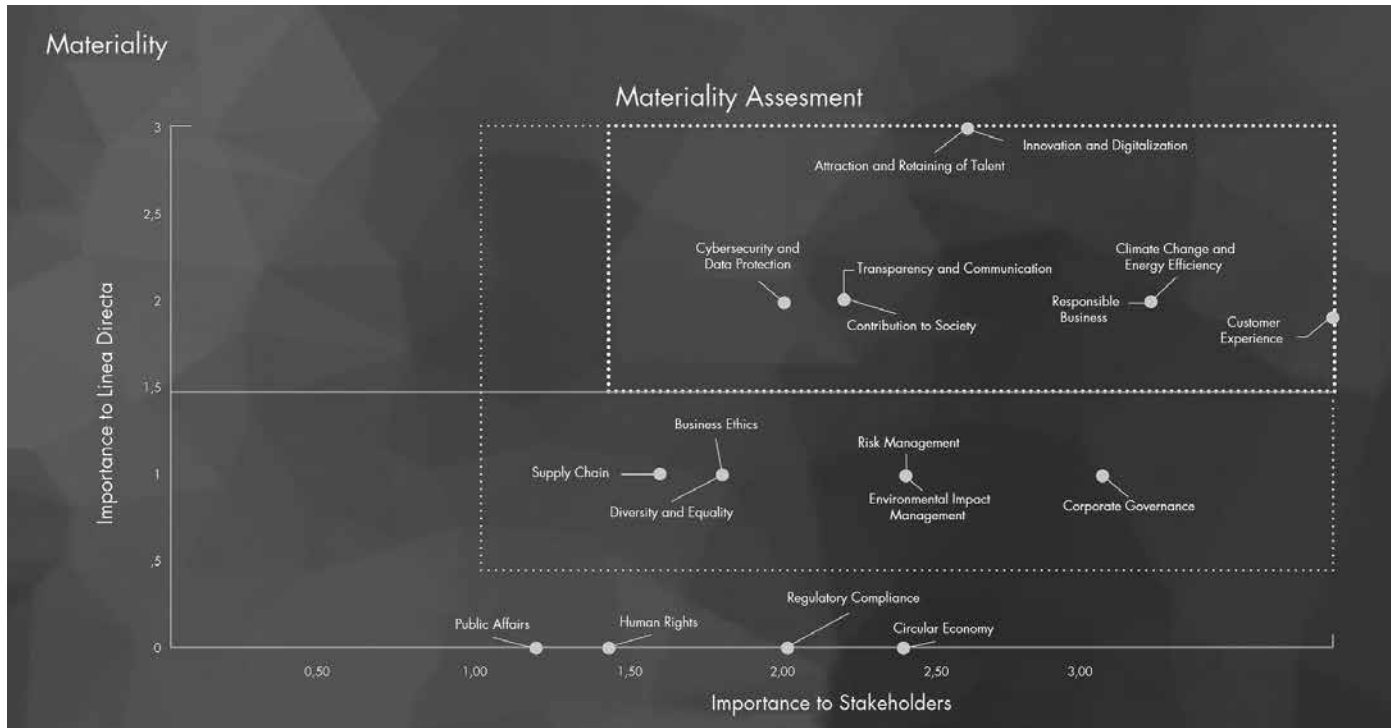


Preparation of the Plan involved external analysis and benchmarking against our *peers* and information from sector studies, in addition to the analysis dimensions of the main ESG management standards and major sustainability indexes, and consideration of regulations affecting the insurance sector and companies in general.

It also included internal interviews with the heads of management areas with the greatest weight in sustainability issues.

The result of this analysis enabled development of a materiality matrix combining the importance that stakeholders give to various transversal aspects of the sector and economic activity, as well as the importance of the company in managing its strategy.





The 4th Sustainability Plan 2020-2022 was completed by analysing the gap the company might face in response to compliance requirements for listed companies, given the possibility of the future listing of the company. The Plan, therefore, covers such core issues as corporate governance, ESG risk management, transparency and taxation, sustainable finance and climate change.

This resulted in the 4th Sustainability Plan 2020-2022, which covers the ESG dimensions of the business, the organisation and its place in society.

This includes the identification of 15 areas of action and 71 specific actions. Of these, 16% relate to the environmental axis, 42% to the social axis and 42% to the good governance axis.

The corporate purpose of the Línea Directa Group was also defined in 2020. This purpose was conceived to inspire and guide the sustainability strategy over the long term. It is a key differentiating factor, forming the foundations on which the company's way of doing things and coherent decision-making are based for its business and in relation to its main stakeholders: employees, customers, suppliers and investors. This purpose was formulated and approved by the company's Sustainability and Reputation Committee, which comprises its management team, its CEO and its Chairman. Its slogan is "Innovate, protect and get closer". This reflects the disruptive nature of the Group since its creation. It illustrates the commitment to establish sturdy relationships of trust with the community and the environment. And it also underlines its open, direct, close and accessible relationship with its stakeholders and with society in general.



Relevant sustainability indicators*

Dimension	Indicator	2020	2019	Change	Material aspect	SDGs	Scope
Economic	NPS customer recommendation index (%)	41.5	38.9	6.7%	Customer relationship management	8	Bankinter
	% women on the Board of Directors	36	33.3	9.2%	Corporate governance/People management	8/10	Bankinter Group
	% women in executive posts	33	31	5.5%	Corporate governance/People management	8/10	Bankinter Group
	% workforce trained in code of ethics	100	100	-	Ethics	8/10	Bankinter Group
	% suppliers assessed under ESG criteria	39.7	28	41.8%	Supply chain management	8	Bankinter
	Corporate reputation index - RepTrak (%)	60.4	57.2	5.6%	Relations with the community	8	Bankinter
Social	Social contribution according to LGB methodology (€mn)	3.7	3.6	2.8%	Relations with the community	10/17	Bankinter Group
	Employee satisfaction index (%)	87	83	4.8%	People management	8	Bankinter
	NSS internal quality index (%)	48.2	39.3	22.6%	People management	4/8	Bankinter
	No. training hours/employee	59	49	20.2%	People management	4/8/10	Bankinter Group
	No. family-responsible measures	167	167	-	People management	8/10	Bankinter
	% workforce covered by the universal accessibility system	10	9	9.7%	People/customer management	10	Bankinter
Environmental	% workforce covered by environmental management system	54	54	-	Climate change and natural capital strategy	13	Bankinter Group
	Tn CO ₂ /employee (Scope I and II)	0.36	0.55	-34.5%	Climate change and natural capital strategy	13	Bankinter Group
	Energy consumption (Gj/employee)	15.36	16.25	-5.5%	Climate change and natural capital strategy	13	Bankinter Group
	Green electricity consumption (% of total)	87	73	19.2%	Climate change and natural capital strategy	13	Bankinter Group
	Paper consumption (Tn/employee)	0.04	0.06	-33.3%	Climate change and natural capital strategy	13	Bankinter Group

* Information on Bankinter Group, and EVO and Avantcard since their integration into the Group on 1 June 2019.

**Environmental
matters**




2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT



Environmental criteria are considered in the Bank's investment and financing policies.

Environmental matters

A strategy to minimise environmental impacts on our surroundings



Bankinter maintains a firm commitment to addressing its environmental management by assuming the challenge and responsibility to operate in the most environmentally-friendly way, taking the necessary measures to mitigate its direct and indirect environmental impact in accordance with the precautionary principle. To do so, the Bank bases its actions on the principle of prevention, analysing and managing its main environmental risks throughout its value chain, both those directly related to the buildings where its staff works and those indirectly arising from its activities.

Its Environmental Policy is aimed at enhancing the positive impacts and minimising the negative effects of its activity on the environment. The Sustainability area, together with the Bank's Sustainability Committee, is responsible for overseeing compliance with the policy's principles and ensuring its commitment to protecting the environment.

The environmental strategic axis also includes the Climate Change Strategy, with short-, medium- and long-term objectives, and the Carbon Footprint management system, through which the direct and indirect environmental impacts generated by the Bank's activity are identified, measured and controlled.

The environmental criteria are present in the Bank's investment and financing policies. At the end of 2016, Bankinter adhered to the Equator Principles, whereby environmental and social analyses are carried out on all financing projects that require them.

The Bank has also drawn up sector financing guidelines, based on social and environmental criteria, for certain sectors that, due to their social or environmental impact, are considered most relevant. An energy sector policy was implemented in 2020.

Bankinter Gestión de Activos, the collective investment institution management company (CII), which is 100% owned by Bankinter Group, is increasing its firm commitment to sustainability and will incorporate environmental, social and good governance (ESG) criteria for all its investment funds during 2021.

The Bank collaborates with leading organisations that assess and evaluate its environmental performance, such as the Carbon Disclosure Project (CDP), of which Bankinter has been a signatory company from the beginning. In its 2020 assessment, Bankinter was recognised as one of the leading banks for climate change management, obtaining an "A-" rating in the "Leadership" category.

Bankinter also joined the United Nations Environment Programme sector initiative (UNEPFI) during the year, signing the Principles for Responsible Banking. This framework has been established for conducting sustainable banking in line with the SDGs and the 2030 Agenda.

An Environmental Policy was also implemented at Línea Directa Aseguradora.

Línea Directa is characterised by its direct business model, with no branch networks. Although this is not a critical sector in terms of climate change, the company is conscious of its responsibilities with regard to good management to reduce its emissions. It also plays an active role in promoting new forms of mobility to address the new opportunities and challenges posed by the energy transition.

Both EVO and Avantcard manage the environmental dimension through energy efficiency, rationalised consumption of resources, adequate waste management and the acquisition of environmentally-friendly products and technologies. They also encourage their professionals and customers to use electronic channels and digital correspondence.

During the financial year, it was not considered necessary to recognise any provisions for environmental risks and liabilities as there were no contingencies linked to environmental protection and improvement, and no penalties or fines were imposed in relation to environmental management by Bankinter Group. The Group's directors consider the environmental risks that may arise from its activity to be minimal, and in any case adequately covered, and consider that there will be no additional liabilities related to these risks. The Group did not incur any expenses or receive any subsidies related to such risks.



Bankinter recognized as one of the leading banks in climate change management by CDP.

First prize in the 16th edition of the Environmental Photography Awards. María Lorna Cuadrado. *Que tu salud no interfiera en la suya. (May your health does not interfere in the environment)*

Climate change strategy

We must all identify our role in the challenge posed by climate change. And while the financial sector is not a carbon-intensive industry, financial institutions have a major role to play in the transition to a low-emission economy.

Therefore, the Bank's responsibility to the environment does not rest so much on managing the direct impact of its activity on its surroundings (something which it has been managing for over a decade), but rather on identifying and managing its indirect impacts; i.e. those generated by applying its financing and investment policies.

In 2019, Bankinter drew up a strategy that incorporates the recommendations of the main international initiatives in this area, based on important preliminary work, and established a roadmap and short-, medium- and long-term objectives to improve its environmental performance with the areas of the Bank that are most directly involved (e.g. Risks, Investment Banking and Asset Management).

bankinter.

If we say it, we do it
Bankinter combats the climate crisis

We may be one of the world's most sustainable banks.

But we want more.
Continue progressing.
Even faster.

That's the only way to make real change wherever it is needed

If we say it, we do it

What have we decided to do?

01. Lead and share

We want to lead the transition towards a sustainable economy and share the achievements with our stakeholders

02. Integrate

We want to integrate climate crisis risk management in our business model



03. Market

We want to market positive-impact financial products and services geared towards a low-carbon economic model

04. Involve

We want to involve our stakeholders in every measure of our collective action plan

What are our goals?



In 2020

- To neutralise our organisational carbon footprint
- To obtain 100% of our energy from renewable sources
- To implement the TFCO recommendations
- To have specific policies for sectors with potential environmental impact
- To report on our exposure to fossil fuels
- To take part in international sustainable financing initiatives
- To broaden our range of sustainable products and services

In 2030

- To increase renewable energy finance
- To have the first climate crisis balance sheet
- To step up R&D spend to combat the climate crisis
- To have an emission calculation system for our lending and financing portfolios
- To have a proprietary accounting system that integrates environmental considerations

In 2040

- To have a fully-sustainable lending and financing portfolio

Strategy

Lead the transition to a sustainable economy to help adapt to and mitigate the effects of climate change.

Management

Include climate change risks in the management model.
Develop an accounting system that includes the Entity's environmental features on its balance sheet.

Business

Market financial products and services based on a low-carbon economic model.

Involvement

Participate with all our stakeholders in the Group commitment to act against climate change.

In relation to the objectives set for the year:

- Bankinter is carbon neutral for scopes 1 and 2.
- 100% of the electricity consumed in the Bank's facilities comes from renewable sources.
- Significant progress has been made in implementing the TCFD (Task Force on Climate-Related Financial Disclosure) recommendations.
- The energy sector policy has been added to the group of sector guides with ESG criteria.
- The Bank's exposure to climate change risks was analysed (refer to the risks chapter)
- Membership of UNEPFI, the Principles of Responsible Banking and the Financial Commitment for Biodiversity.
- New sustainable products were launched, such as the issuance of green bonds and a pension plan with ESG criteria.

Implementation of TCFD recommendations on climate change			
Area	Recommendations	Implemented	Next actions
Governance	<ul style="list-style-type: none"> • Include the assessment and supervision of climate risks in governance processes • Describe the Board's oversight • Ensure the governance processes for reviewing published information are similar to those used for existing financial reporting 	<ul style="list-style-type: none"> • Included in the sustainability policy approved by the Board of Directors. • Presentation of the climate change strategy by the Sustainability Committee to the Board of Directors, which approved it • Regular monitoring of the implementation of the strategy by the Sustainability Committee and the Board of Directors • The Non-Financial Statement, which includes information on climate change, is prepared by the Board of Directors and verified by an independent external auditor • Creation of the Sustainable Finance working group, which will report to the Sustainability Committee 	<ul style="list-style-type: none"> • Regular monitoring of the implementation of the strategy and the objectives achieved
Strategy	<ul style="list-style-type: none"> • Describe the climate-related risks and opportunities of the organisation • Describe the impact of climate-related risks and opportunities on the organisation's business strategy and financial planning • Describe the resilience of the organisation's strategy in different climate scenarios 	<ul style="list-style-type: none"> • Identification of climate-related risks and opportunities in the strategy. • Priority short-, medium- and long-term objectives have been established in the climate change strategy • Development of opportunities identified: new products and sustainable services • Analysis of the Bank's portfolio in relation to climate change risks based on a range of scenarios. 	<ul style="list-style-type: none"> • Development of opportunities identified: new products and sustainable services • Membership of the Science Based Targets initiative. • Definition of a roadmap for adapting the Bank's portfolio to the emissions reduction taxonomy and targets.
Risk management and opportunities	<ul style="list-style-type: none"> • Describe the organisation's processes for identifying and assessing climate-related risks • Describe the organisation's processes for managing climate-related risks • Describe how these processes are integrated into the organisation's overall risk management • Describe how the organisation identifies new climate-related business opportunities 	<ul style="list-style-type: none"> • Implementation of sector ESG policies • Implementation of the Equator Principles • Sector policies and sustainability principles in the risk framework agreement • Work meetings with business units • Initial climate change risk analysis for the Bank's portfolio • Implementation of a risk-analysis tool for the Bank's portfolio • Creation of the Sustainable Finance working group • Establishment of a sector energy policy 	<ul style="list-style-type: none"> • Development of processes to manage climate-related risks • Extension of sector policies to other industries • Development of opportunities identified: new products and sustainable services
Metrics and targets	<ul style="list-style-type: none"> • Disclose the metrics used by the organisation to manage climate-related risks and opportunities • Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions • Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets 	<ul style="list-style-type: none"> • Scope 1, 2 and 3 (partial) emissions disclosed and independently verified • Study to expand Scope 3 reporting based on publication of the "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" GHG Protocol • Principal short-, medium- and long-term objectives established in the climate change strategy • Initial attempt to calculate the carbon footprint of the Bank's portfolio 	<ul style="list-style-type: none"> • Adoption of standard methodology to calculate all Scope 3 emissions • Disclosure of achievement of targets to stakeholders

Publication of the new Climate Change Law is still pending. The Group is analysing the recommendations of the Financial Stability Board and the Task Force on Climate-related Financial Disclosures (TCFD), which state that financial institutions need to manage climate change risks and opportunities over the short, medium and long term.

In 2019, Bankinter committed to including the TCFD recommendations in its business model and drew up a road map for this. A sustainable finances work group was also created to address future EU regulatory requirements.

Línea Directa's business mainly involves mobility, one of the main sources of CO₂ and other greenhouse gas (GHG) emissions. Línea Directa Group operates in Spanish territory. Accordingly, the risks arising from the increase in frequency and intensity of the extreme weather events caused by climate change are, in principle, included in a coverage system established by law and managed by the Insurance Compensation Consortium (ICC), a state-owned entity.

The Spanish insurance industry, through this system of insuring extraordinary risks, already has a useful tool for facing the potential increase in the dangerous effects of climate change. With the increase in these weather events, the ICC may decide to increase the contributions made by private insurance companies. Reinsurance is used for all other events. Línea Directa Aseguradora promotes environmental conduct that seeks to mitigate and reduce greenhouse gas emissions, acting ahead of upcoming European regulations that are moving towards transitioning the energy model.

EVO is fully aligned with the main corporate ethics, good governance and responsible management policies, including the Climate Change Strategy. Avantcard has already incorporated some of the Group's good practices, such as purchasing energy from renewable sources and participation in the launch of sustainable products.



Second prize in the 16th edition of the Environmental Photography Awards. Alfredo Rubín Rodríguez. *Flow*

Carbon footprint

Bankinter has been calculating its overall carbon footprint since 2009 in its three emission ranges: direct (consumption of fossil fuels and possible leakage of refrigerant gases), indirect (electricity consumption) and induced (e.g. travel for work and consumption of paper, toner and water).

In 2020, the Bank's calculation of its organisational carbon footprint in Spain and Portugal was subject to external assurance by the company SGS, according to the Greenhouse Gas Protocol and in line with the requirements of the Intergovernmental Panel on Climate Change. Bankinter once again registered its carbon footprint (calculated in 2019) with the Carbon Footprint Registry of the Ministry of Ecological Transition and the Demographic Challenge.

Since mid-2020, Bankinter has been carbon neutral for Scope 1 and 2 emissions in its activity in Spain, Portugal and Luxembourg. Its total direct emissions are offset through the Zero CO₂ initiative of Fundación Ecología y Desarrollo (Ecology and Development Foundation) in the Amazon Conservation project in Madre de Dios, Peru. Implementation of special paving at the sustainable headquarters in Alcobendas, Madrid, has offset another 34 tonnes of CO₂.

All of the electricity consumed (Scope 2) in Bankinter's facilities has been green energy with guarantees of origin since mid-2018 in Spain and since July 2020 in Portugal, hence the significant decrease in figures for Scope 2 emissions.

The special situation caused by the COVID-19 pandemic in 2020 influenced trends in the emissions indicators as buildings and offices were not fully occupied and a large part of the workforce was working remotely for part of the year, with the resulting influence on emissions from employee travel, for example.

In 2021, more Scope 3 emissions fields will be included, based on the publication of the "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" GHG Protocol, by estimating emissions from accounting entries.

The main energy sources at Línea Directa have been identified and their performance is being evaluated to establish objectives, monitor performance and so complete the comprehensive environmental management system. The objective of this is to reduce the impact of the company's activity, protect the environment, minimise pollution, ensure a continuous improvement system in the company, comply with current legal requirements, promote the acquisition of

more efficient products and services, and ensure information is available for this. The measures implemented to prevent and reduce carbon emissions include a fleet of electric vehicles that has been made available to staff for moving between office locations. Electricity consumption has been environmentally friendly with guarantees of origin since the final quarter of 2019.



CO₂ emissions Scope 1 (Tn) *

	2020	2019
Gas/Diesel/Gases	1,852.88	1,738.36
Total/employee	0.21	0.20

* The scope of this information is Bankinter Group (including EVO and Avantcard since their inclusion in June 2019)

* OECC emission factors, carbon footprint registry, offset and carbon dioxide absorption projects (Version 15 - June 2020)

CO₂ emissions Scope 3 (Tn) *

	2020	2019
Business travel	1,239.36	3,299.67
Business trips	5,921.69	8,953.21
Water	17.74	23.44
Paper	317.00	444.75
Toner	44.79	31.90
Waste	4.79	5.09
Computer equipment	879.15	879.21
Furniture	65.28	76.28
Customer electricity consumption	1,051.89	1,053.81
Cleaning products	6.39	3.37
Maintenance travel	11.84	13.88
Total	9,559.92	14,775.12
Total/employee	1.10	1.73

* The scope of this information is Bankinter Group (including EVO and Avantcard since their inclusion in June 2019)

* OECC emission factors, carbon footprint registry, offset and carbon dioxide absorption projects (Version 15 - June 2020)/SIMAPRO (Ecoinvent System Processes)

* IT equipment, furniture and cleaning products: estimates taking into account the purchase of these materials. Customer electricity consumption: estimate taking into account registered connections of customers to Bankinter's website, the average duration of these and the average consumption of a computer.

Total CO₂ emissions (Tn)

	2020	2019
Total emissions	12,663.97	19,449.61
Total/employee	1.46	2.28

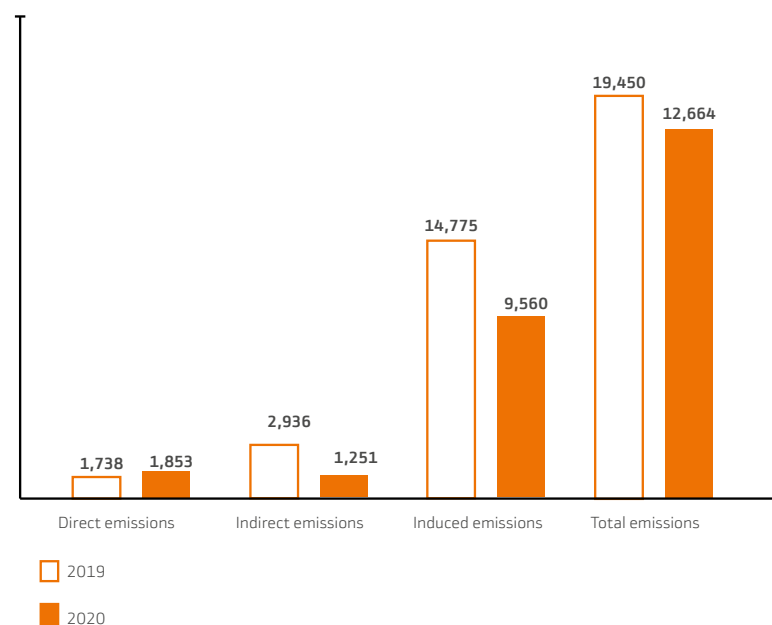
CO₂ emissions Scope 2 (Tn) *

	2020	2019
Electricity	1,251.17	2,936.12
Total/employee	0.14	0.34

* The scope of this information is Bankinter Group (including EVO and Avantcard since their inclusion in June 2019)

* OECC emission factors, carbon footprint registry, offset and carbon dioxide absorption projects (Version 15 - June 2020)

Emissions (T CO₂)



Eco-efficiency and sustainable resource usage indicators

Bankinter has identified the main eco-efficiency indicators of its activity to be measured and controlled. The purpose of this is to implement the necessary measures to optimise the consumption of supplies and materials. This translates into reducing our carbon footprint. This means minimising consumption and hence our carbon footprint.

Trends in the indicators in 2020 were influenced by the special situation caused by the COVID-19 pandemic, as the buildings and offices were not fully occupied during part of the year.

Indirect energy consumption by the Bank is from electricity consumption. This is the main source of energy used by Bankinter and its consumption has gradually been reduced in recent years as a result of the efficiency measures adopted (renewal of equipment to increase efficiency, replacement of traditional lighting with LED, systems for the remote management of consumption, etc.). As previously mentioned, 100% of the electricity consumed at the Bank's facilities in Spain and Portugal already comes from renewable energy sources.

Bankinter acquires paper according to strict environmental criteria. It is 100% recycled (in Spain) and bears the Blue Angel and Nordic Swan ecolabels.

To reduce consumption, the Bank has implemented measures such as the biometric signature solution, which is now used at fixed positions in branches and which has

been extended in recent years to various operations and products (investment fund agreements, current accounts, deposits, pension plans, updating of customer information, powers of attorney, etc.). This has resulted in an estimated annual reduction of more than 100,000 paper documents per year.

Another important milestone was the digitalisation of the recruitment process. In addition to the digital signature of contracts, all the documentation associated with each employee now forms part of a personal digital archive, thereby reducing paper requirements.

In 2020, customer information campaigns were continued to replace paper statements with the web correspondence model.

Water consumption for sanitary uses is controlled through monitoring using the Environmental Management System indicators. Devices are gradually being implemented to reduce consumption in certified buildings.

Línea Directa applies actions and strategies to control and manage consumption and waste to minimise its environmental impact, within the framework of its environmental and energy management systems. This ensures it manages the energy aspects of its activity appropriately, which translates into real and quantifiable savings in energy costs.

Energy consumption (Gj) *

	2020	2019	Change
Electricity	109,700.66	115,886.99	-5.3%
Diesel	4,966.44	3,802.82	30.6%
Natural gas	18,442.60	19,415.12	-5.0%
Total	133,109.70	139,104.93	-4.3%
Total/employee	15.36	16.25	-5.5%

* The scope of this information is Bankinter Group (including the indicators of EVO and Avantcard since their incorporation in June 2019)

* Where all consumption invoices for the year were not available when compiling the information, the figures were annualised to 365 days to obtain full-year figures.

* The change with respect to diesel is due to Avantcard also using this fuel and it being included for the full year in 2020 (only 7 months in 2019).

Water consumption (m³) *

	2020	2019	Change
Total	55,253.37	72,723.52	-24.0%
Total/employee	6.37	8.52	-25.2%

* The scope of this information is Bankinter Group (including the indicators of EVO and Avantcard since their incorporation in June 2019)

* The calculation of water consumption in the branch network is estimated by extrapolating the ratio per employee of a sample of branches with independent and non-community water meters.

Paper consumption (Tn) *

	2020	2019	Change
Total	378.02	532.52	-29.0%
% recycled A4 and A3	87%	85%	2.5%
Total/employee	0.04	0.06	-27.3%

* The scope of this information is Bankinter Group (including the indicators of EVO and Avantcard since their inclusion in June 2019)

* Paper consumption data refer to the consumption of DIN A4, DIN A3 and envelopes.

Significant measures in 2020 included: the replacement of all outdoor lighting with LED lamps; the purchase of green energy; a communication campaign for all personnel in relation to the Good Environmental Practices Manual; and the savings objectives set for the year, asking employees to play their part in achieving this.

In relation to energy consumption outside the organisation, the electricity consumption of customers connecting to the Bank's websites and making video calls is estimated at 12,215 GJ (9,253 GJ in 2019), travel to work is estimated to have consumed 78,721 GJ (117,239 GJ in 2019), and company travel is estimated at 4,103 GJ (47,729 GJ in 2019).

With regard to paper consumption, measures were implemented in 2020 to reduce consumption through the implementation of digital channels. This technological and cultural change will have a gradual effect on the organisation's environmental management, improving the monitoring ratios for paper consumption indicators. Since 2016, the insurance company has offered its "Digital Policy" product, which is fully digital.

With regard to the sustainable use of water consumption, daily inspections of facilities are carried out by company personnel to prevent leaks. To achieve greater efficiency in the consumption of this resource, as well as efficient watering systems in the gardens of the facilities, a more eco-friendly gardening model is gradually being introduced consisting in the use of xeric plants with low water consumption.



Third prize in the 16th edition of the Environmental Photography Awards. Jorge Rabasco Sánchez. *Atardecer en la playa* (Sunset at the beach)

Waste management

As Bankinter Group has certified environmental management systems, waste management at its buildings and offices is highly controlled and all corresponding documentation and monitoring indicators are kept up to date. The most significant waste produced due to office activities is described in this section.

Waste consisting of confidential paper and toner is managed by authorised managers, which certify that 100% of this type of waste is reused. Confidential paper is reused for paper pulp and generating recycled paper. Toner cartridges are reused with new ink.

In the case of electronic equipment, the authorised managers certify that this waste is duly processed, prioritising management transactions and exceeding the recyclability indexes in the current sector plans and programmes. According to current legislation on waste electrical and electronic equipment (WEEE), as of 2018 and depending on the categories of waste, the percentages required for recovery are between 75% and 80% and for recycling between 55% and 80%, depending on the type of materials.

With regard to waste management, there are waste collection centres at each plant and office. These are clearly labelled so that all personnel can separate organic waste, paper waste and containers.

The circular economy measures introduced by the Group are those mentioned above regarding the requirements to reuse and recycle waste, and to use recycled materials (paper for office purposes, furniture in the sustainable building at Alcobendas, etc.).

Other improvements have also been carried out, such as the replacement of plastic cups with eco-friendly cardboard ones, the elimination of plastic cutlery in the cafes, the supply of glass bottles to employees to reduce the consumption of plastic bottles, availability of recycled plastic bottles in vending machines, etc.

The identification of more than 300 CPUs that are no longer used at Bankinter is also noteworthy. These are going to be prepared for donation to various NGOs by a group of volunteers from the Systems Department, by wiping the information and completing them with IT material.

Waste management (kg)			
	2020	2019	Change
Confidential paper	147,954	162,045	-8.7%
Toner	2,133	1,472	44.9%
Electronic equipment	19,564	37,308	-47.6%

* The scope of this information is Bankinter Group (including the indicators of EVO and Avantcard since their inclusion in June 2019)

* The increase in toner waste in 2020 is due to a change in the management methodology to remove accumulated toner cartridges



Environmental management system

To guarantee the continuous improvement of its environmental performance, Bankinter has an environmental management system (EMS) certified according to the UNE EN ISO 14001 standard. This system includes the Entity's four singular buildings in Madrid (Paseo de la Castellana, Tres Cantos and the two buildings in Alcobendas), the building in Barcelona, and the sustainable office in Madrid. This means that 44% of the Bank's workforce is covered by this environmental certification. The Bank's building in Bilbao was also included in the scope of the system in 2020. This will be audited in 2021. The Internal Audit area is involved in the annual verification process.

Portugal also has a certified environmental management system, the scope of which includes the headquarters in Marqués de Pombal and the Torre Oriente building, both in Lisbon, and covers 47% of the workforce.

In the case of the Línea Directa Group, all of the buildings of the parent company, Línea Directa Aseguradora, are environmentally certified. In all, 86% of the Group's workforce is covered by this certification. It also has an energy management system certified according to the international ISO 50001 standard.

Although EVO and Avantcard do not yet have certified management systems, they actively control and reduce their consumption of energy and materials and carry out adequate waste management.

In its annual environmental management programmes, Bankinter Group includes a series of objectives and goals aimed at: optimising consumption and correct waste management; reducing atmospheric emissions; and programming communication, awareness-raising and employee training campaigns on good environmental practices.

In Portugal, an environmental sustainability action plan to 2030 has been launched, with 19 initiatives in the areas of energy, mobility, water, the circular economy, citizen involvement and extending ISO 14001 certification. This programme is part of the package of measures contained in the Lisbon Climate Agenda for 2030 and the commitments deriving from Lisbon's status as the green capital of Europe 2020.

The following environmental objectives have been set for 2021:

- Electricity consumption: 1% kwh/employee reduction
- Paper consumption: 5% reduction Tn paper/employee
- Waste: 5% tn/employee reduction of plastic waste
- Increase the scope of the environmental management system with the 15 branches in Lisbon, in accordance with the Lisbon Green Capital Commitment signed in 2019.

Bankinter's main objectives in environmental matters in Spain

1. Expansion of the ESG scope to Bankinter's main headquarters in Bilbao.
2. Ongoing implementation of the climate change strategy.
3. Adherence to climate change and biodiversity risk initiatives and opportunities.
4. Environmental training and communication plan.
5. Reduction of 2% in the consumption/employee ratio in the main eco-efficiency indicators (energy consumption, paper consumption and Scope 1 and 2 emissions).

Línea Directa has set objectives to improve all the relevant eco-efficiency indicators it monitors through its management systems.

Biodiversity

Bankinter Group's headquarters are in an urban setting, so it has no direct impact on protected natural spaces and/or biodiversity.

However, although the financial sector is not usually identified as having a high impact in terms of biodiversity or climate change, financial institutions have an important role to play in the transition towards an economy with neutral impact on biodiversity.

In Spain, Bankinter headed up a project with the Natural Capital Coalition in 2018. Its objective was to develop a specific guide for the financial sector facilitating the identification and management of impacts on natural capital. This was a first step by Bankinter in evaluating its portfolio in terms of impacts and dependencies on natural capital. This project provided information on the sectors of the Bank's portfolio with the greatest impacts and dependencies on natural capital, and the Bank's exposure to these.

The Bank joined the "*Business and Biodiversity*" working group for financial institutions to understand best practices in relation to these aspects. In 2020, at the initiative of this group, Bankinter signed the Finance for Biodiversity Pledge. It is one of 26 financial institutions from around the globe that presented the manifesto during the *Nature for Life Hub* organised by the United Nations Development Programme, the United Nations Environment Programme and the Convention on Biological Diversity. In December, 11 new financial institutions had joined this commitment.



Objectives for 2024:

Collaboration and exchange of knowledge among the signatory entities.

Incorporation of biodiversity into ESG policies.

Assessment of the impact of activities on biodiversity.

Setting of objectives to reduce the impact on biodiversity.

Annual communication

Influence on stakeholders

The Group has various internal and external communication channels for promoting its social and environmental initiatives, encouraging the engagement of all its stakeholders.

The awareness-raising actions carried out include: the environment website, the sustainability section of the Bankinter blog, funding of green entrepreneurship days, awards for environmental photography among staff and environmental volunteering days. Bankinter is a leading company in the Climate Change Cluster organised by Forética and takes part in forums and events on climate change and the environment. It also supports the WWF's annual Earth Hour campaign and uses means such as the desk calendar to publicise the SDGs and the

projects the Bank is involved in to contribute to these goals.

Línea Directa has launched campaigns with environmental recommendations aimed at its employees, and provides them with a Good Environmental Practices Manual.

**Social and
employee-related
matters**



2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT

In this complex and unexpected environment, we have continued to consolidate the Strategic People Management plan and its four areas of action

2020: a year to remember

A year of unimaginable challenges for everyone

2020 was a year full of unimaginable challenges for everyone, defined by the impact of the health and economic crisis. This crisis has accelerated the cultural transformation in structures and, in particular, ways of working, promoting innovation, digitalisation and agile learning in a safe environment as never before.

Following the priorities set by the CEO at the start of the pandemic, this year activity has focused on:

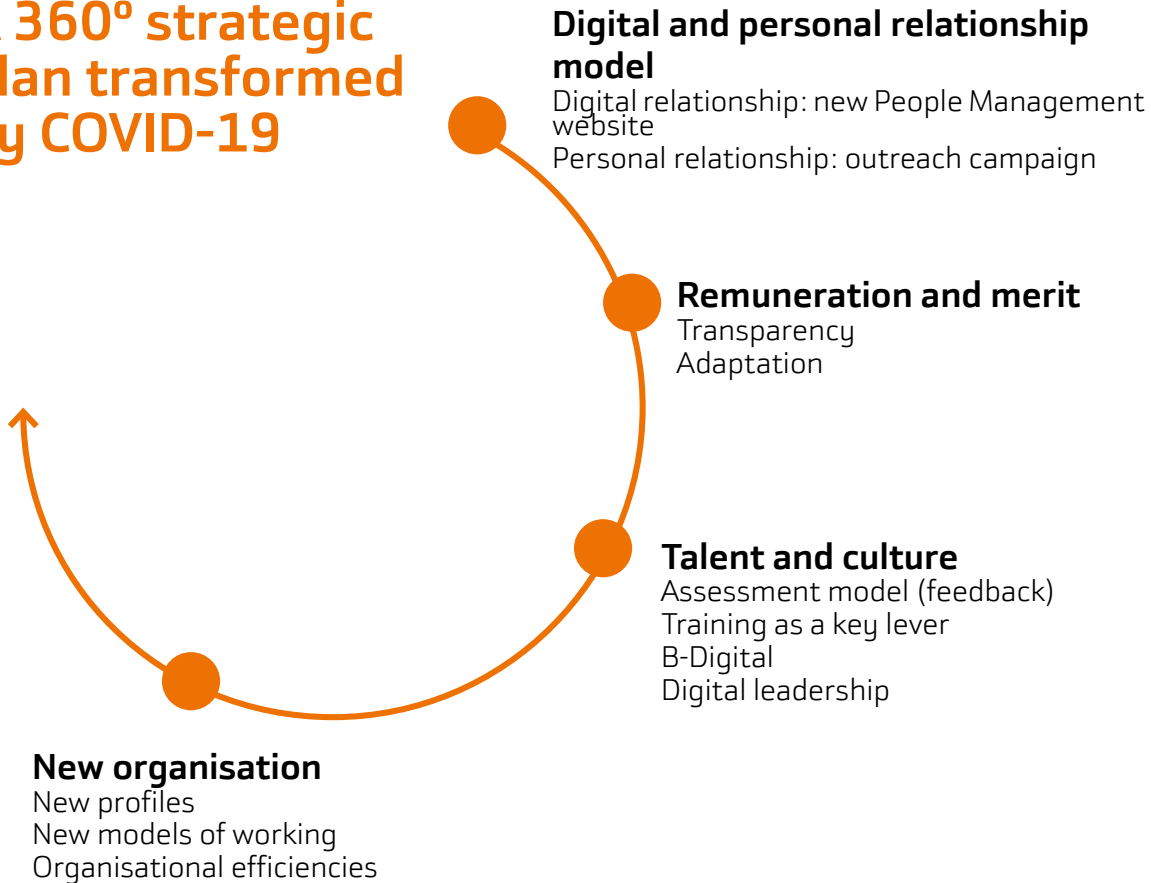
1. Health: for the creation of a safe work environment, both through material resources and through information and training on safe behaviours and habits for everyone, reinforcing the closeness of the People Management team to all employees during a particularly turbulent year, both personally and professionally.

2. Preserving employment: through training and development of the new skills and knowledge needed in a work environment that operated remotely for much of the year, adopting new, more efficient and safer working models.

3. Customers: accelerating the digitalisation process for our commercial network, through digital sales tools and behaviour that allow them to keep in touch and meet the needs of our customers, even during lockdowns.

In this difficult and unexpected environment, we have continued to consolidate our Strategic People Management plan and its four areas of action, focusing in particular on protecting health, maintaining "closeness in distance", and adapting to accelerated digitalisation.

A 360° strategic plan transformed by COVID-19



In Línea Directa, the main actions in the year also focused on new ways of working, digital tools and skills, flexibility and efficiency. Managing the pandemic was the focus of a lot of effort before, during and after the state of emergency in terms of communication, monitoring employee health, adapting to new ways of working and new measures caring for employee health. Finally, turning to preparation of the organisation for the listing of the company in 2021. This will entail changes in people management models, the incorporation of new talent and challenges relating to business support, employee experience, agility and flexibility, reputation and brand.

A
360° strategic plan
transformed by
COVID-19

Type of contract						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Permanent	4,017	4,422	8,439	3,927	4,319	8,246
Temporary	105	124	229	149	136	285
Total	4,122	4,546	8,668	4,076	4,455	8,531

Working day						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Full time	3,708	3,383	7,091	3,679	3,320	6,999
Part time	414	1,163	1,577	397	1,135	1,532
Total	4,212	4,546	8,668	4,076	4,455	8,531

Breakdown by age and contract type						
	2020			2019		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Under 30	464	90	554	459	148	607
From 30 to 39	2,395	80	2,475	2,590	79	2,669
From 40 to 49	3,806	41	3,847	3,636	37	3,673
From 50 to 56	1,273	13	1,286	1,141	18	1,159
Over 56	501	5	506	420	3	423
Total	8,439	229	8,668	8,246	285	8,531

Breakdown by contract type and professional category						
	2020			2019		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Staff	1,831	195	2,026	1,778	262	2,040
Commercial/technicians	2,767	30	2,797	2,505	22	2,527
Senior commercial/technicians	1,875	4	1,879	1,837	1	1,838
Middle managers	1,764	0	1,764	1,916	0	1,916
Managers	202	0	202	210	0	210
Total	8,439	229	8,668	8,246	285	8,531

2020 distribution by professional category									
	Spain		Portugal		Luxembourg		Ireland		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Staff	696	1,132	9	20	0	0	76	93	2,026
Commercial/technicians	1,001	1,354	155	235	4	3	20	25	2,797
Senior commercial/technicians	898	829	51	55	8	5	19	14	1,879
Middle management	881	626	152	86	8	1	9	1	1,764
Managers	126	65	7	2	1	0	1	0	202
Total	3,602	4,006	374	398	21	9	125	133	8,668

2019 distribution by professional category									
	Spain		Portugal		Luxembourg		Ireland		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Staff	697	1,140	10	24	0	0	70	99	2,040
Commercial/technicians	942	1,132	165	235	4	3	19	27	2,527
Senior commercial/technicians	821	868	53	59	9	4	15	9	1,838
Middle Management	971	711	141	74	7	2	8	2	1,916
Managers	136	64	6	2	1	0	1	0	210
Total	3,567	3,915	375	394	21	9	113	137	8,531

2020 distribution by age bracket									
	Spain		Portugal		Luxembourg		Ireland		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Under 30	236	253	4	10	0	2	23	26	554
From 30 to 39	1,033	1,204	59	107	7	2	32	31	2,475
From 40 to 49	1,509	1,770	234	225	8	5	49	47	3,847
From 50 to 56	514	622	62	50	5	0	16	17	1,286
Over 56	310	157	15	6	1	0	5	12	506
Total	3,602	4,006	374	398	21	9	125	133	8,668

2019 distribution by age bracket									
	Spain		Portugal		Luxembourg		Ireland		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Under 30	284	266	4	2	1	1	19	30	607
From 30 to 39	1,105	1,282	64	131	8	5	38	36	2,669
From 40 to 49	1,403	1,728	237	210	9	3	40	43	3,673
From 50 to 56	512	510	59	47	2	0	12	17	1,159
Over 56	263	129	11	4	1	0	4	11	423
Total	3,567	3,915	375	394	21	9	113	137	8,531

Distribution by years of service

	2020			2019		
	Male	Female	Total	Male	Female	Total
Up to 5	1,527	1,284	2,811	1,525	1,265	2,790
From 6 to 15	1,523	1,877	3,400	1,566	1,931	3,497
From 16 to 25	588	1,035	1,623	498	988	1,486
Over 25	484	350	834	487	271	758
Total	4,122	4,546	8,668	4,076	4,455	8,531

2020 contract type (average)

	Spain		Portugal		Luxembourg		Ireland	
	Male	Female	Male	Female	Male	Female	Male	Female
Permanent	3,501	3,867	373	395	21	10	92	106
Temporary	94	93	3	4	0	0	26	28
Total	3,595	3,960	376	399	21	10	117	133

2019 contract type (average)

	Spain		Portugal		Luxembourg		Ireland	
	Male	Female	Male	Female	Male	Female	Male	Female
Permanent	3,341	3,738	381	399	20	10	85	100
Temporary	137	115	1	5	0	0	27	35
Total	3,478	3,853	382	404	20	10	111	135

2020 contract type (average)

	Spain		Portugal		Luxembourg		Ireland	
	Male	Female	Male	Female	Male	Female	Male	Female
Full time	3,191	2,843	376	399	21	10	117	119
Part time	404	1,117	0	0	0	0	0	15
Total	3,595	3,960	376	399	21	10	117	133

2019 contract type (average)

	Spain		Portugal		Luxembourg		Ireland	
	Male	Female	Male	Female	Male	Female	Male	Female
Full time	3,117	2,763	382	404	20	10	111	122
Part time	362	1,090	0	0	0	0	0	13
Total	3,478	3,853	382	404	20	10	111	135

2020 distribution of employees by professional category (average)

	Spain		Portugal		Luxembourg		Ireland	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Staff	1,681	164	26	7	0	0	114	53
Commercial/technicians	2,173	20	393	0	6	0	44	0
Senior commercial/technicians	1,719	2	106	0	13	0	28	0
Middle managers	1,595	1	235	0	10	0	10	0
Managers	201	0	8	0	1	0	1	0
Total	7,368	187	769	7	31	0	197	53

2019 distribution of employees by professional category (average)

	Spain		Portugal		Luxembourg		Ireland	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Staff	1,594	219	35	6	0	0	107	59
Commercial/technicians	1,983	30	406	0	7	0	41	3
Senior commercial/technicians	1,660	3	115	0	14	0	26	0
Middle managers	1,653	1	216	0	9	0	10	0
Managers	191	0	8	0	1	0	1	0
Total	7,080	252	780	6	30	0	185	62

2020 distribution of employees by professional category (average)

	Spain		Portugal		Luxembourg		Ireland	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Staff	726	1,118	33	0	0	0	154	14
Commercial/technicians	1,951	241	393	0	6	0	43	1
Senior commercial/technicians	1,590	131	106	0	13	0	28	0
Middle managers	1,566	30	235	0	10	0	10	0
Managers	201	0	8	0	1	0	1	0
Total	6,034	1,520	775	0	31	0	236	15

2019 distribution of employees by professional category (average)

	Spain		Portugal		Luxembourg		Ireland	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Staff	777	1,036	41	0	0	0	153	13
Commercial/technicians	1,776	236	406	0	7	0	44	0
Senior commercial/technicians	1,515	147	115	0	14	0	26	0
Middle managers	1,620	33	216	0	9	0	10	0
Managers	191	0	8	0	1	0	1	0
Total	5,880	1,452	786	0	30	0	233	13

2020 distribution of employees by age and contract (average)

	Spain		Portugal		Luxembourg		Ireland	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Under 30	441	88	8	7	2	0	18	30
From 30 to 39	2,250	53	170	0	11	0	58	11
From 40 to 49	3,173	33	460	0	13	0	83	5
From 50 to 56	1,067	12	111	0	4	0	26	4
Over 56	437	1	19	0	1	0	13	3
Total	7,368	187	769	7	31	0	197	53

2019 distribution of employees by age and contract (average)

	Spain		Portugal		Luxembourg		Ireland	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Under 30	398	128	3	6	1	0	13	37
From 30 to 39	2,387	78	226	0	13	0	64	12
From 40 to 49	2,955	35	435	0	12	0	75	7
From 50 to 56	959	10	101	0	3	0	21	4
Over 56	381	1	14	0	1	0	11	3
Total	7,080	252	780	6	30	0	185	62

2020 distribution of employees by age and working day (average)

	Spain		Portugal		Luxembourg		Ireland	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Under 30	320	208	14	0	2	0	47	1
From 30 to 39	1,739	564	171	0	11	0	69	0
From 40 to 49	2,597	609	460	0	13	0	81	6
From 50 to 56	965	113	111	0	4	0	27	4
Over 56	413	25	19	0	1	0	12	4
Total	6,034	1,520	775	0	31	0	236	15

2019 distribution of employees by age and working day (average)

	Spain		Portugal		Luxembourg		Ireland	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Under 30	331	194	9	0	1	0	48	1
From 30 to 39	1,887	578	226	0	13	0	75	0
From 40 to 49	2,415	575	435	0	12	0	76	6
From 50 to 56	886	83	101	0	3	0	22	3
Over 56	361	21	14	0	1	0	11	3
Total	5,880	1,452	786	0	30	0	233	13

Health and safety

The health crisis caused by the SARS-CoV-2 virus pandemic has affected all of the countries and people in our environment without exception. This has made taking care of the well-being and health and safety of all employees in Bankinter Group - already a priority in our People Management policies - even more important in 2020.

Since the beginning of March, the Occupational Risk Prevention area, aware of the seriousness of the health crisis, has had a working group focused on informing, training and advising employees on the preventive measures to be adopted, depending on the development of the health situation and the instructions and recommendations issued by the government and the health authorities. This working group is coordinated by the People Management Division. It draws on the health and safety officers of our in-house OHS services, from the Labour Relations area, and advice from the external OHS service, Valora Prevention SL, constantly supported and assisted by the other People Management areas.

Working in coordination with the Real Estate and General Services area and the Purchasing area, the working group has constantly informed and advised the Crisis Committee, made up of Bankinter's management, on all technical aspects of health and safety involved in handling the pandemic and ensuring a safe working environment in these exceptional circumstances.

The authorities have declared financial services activity an essential activity for the population, both during the declaration of the state of emergency and in subsequent phases. This required significant efforts to ensure that all work centres and offices were safe environments for employees providing face-to-face services and customers who had to use these services. These measures included:

- Separation of work spaces to ensure safe distancing.
- Marking of safety distances for customers and employees.
- Providing all employees with surgical masks and gloves, together with their user's manuals.
- Installation of screens.
- Hand sanitiser gel accessible for everyone in the workplace.
- Limitation on customer capacity to avoid crowding (one employee serving one customer)
- Daily cleaning with disinfectants and specific nebulisation with virucidal products in workplaces where they were potentially suitable, because of the confirmed presence of people infected with COVID-19 who had not complied with the applicable preventive measures.

- Creation of prevention protocols for the gradual return to face-to-face working after lockdown, and for correct use of common areas, work areas and canteens.
- Serological testing of all staff returning to their jobs in person after the lockdown.

A significant effort has also been made, working with the Internal Communication area, to inform, train and update all employees on all recommendations from the health authorities on safe behaviour and habits, and on Bankinter's actions and recommendations.

During the year, eight courses were held remotely, for both the branch network and Central Services. Videos of these training activities have been published on the Intranet for anyone who wants to watch them. The recordings of these courses have been viewed by more than 70% of our employees.

With regard to health, all of the employees who have been infected have been monitored, directly and individually, tracing and monitoring everyone who might have come into contact with them in Bankinter facilities. Preventive follow-up has been carried out with all employees who have reported close contact with confirmed cases of COVID-19, regardless of where this occurred, in accordance with the procedure established. The Occupational Risk Prevention area has continuously monitored these people, supporting them

Significant effort with the Internal Communication area to inform, train and update all employees about recommendations from the health authorities

and dealing with their concerns and queries arising from the situation (what to do, who to contact, duration of quarantines, etc.). This has been supported by the implementation of an internal action protocol based on the protocol of the Ministry of Health and its regular updates, adopting strict prudence and safety criteria.

Bankinter has always applied extremely prudent health and safety criteria to employees with underlying conditions that make them potentially more vulnerable to the risk of infection with COVID-19, with the sole objective of protecting them and their families. These employees have been teleworking for the time required in response to the state of the pandemic and the recommendations of the health authorities.

We have used our Intranet, which is accessible to all our employees, to provide full information transparency by publishing all necessary information in relation to the health situation. This included a daily report from senior management during the months of the state of emergency. In this report, Maria Dolores Dancausa, CEO of Bankinter Group, kept all employees informed of the main impacts of COVID-19 on the Bank, the situation with regard to health and the business, the preventive measures adopted, prevention protocols and other important information.

Bankinter has a Health and Wellbeing programme. In 2020, Bankinter used this to continue encouraging its employees to adopt healthy habits, through the "Bankinter Te Cuida" (Bankinter, here to help) programme. This offers content, tools and expert advice

on focused workout routines, nutritional plans, emotional wellness techniques, etc.

In mid-April, in the midst of the lockdown, we held the 4th annual Bankinter challenge. The objective of this in 2020 was to increase our minutes of physical activity for a good cause. In addition to encouraging activity during weeks of lockdown at home, this also sought to contribute to the Spanish Red Cross and the health emergency plan activated as a result of the COVID-19 crisis.

Management of the health and safety of employees was also the main issue during 2020 in the rest of the companies and countries in Bankinter Group, where the ways of working and the measures implemented have been very consistent with the Bank's.

Highlights for the year include the preservation of employment, the creation of crisis committees and contingency plans, continuous communication and closeness with employees, the protection measures implemented, testing, business continuity services, plans for gradual return to face-to-face work and involvement in social actions.

In Línea Directa, the measures implemented in relation to the pandemic were structured around four pillars:

- Focus on employee health, with "Your health matters most to us": rapid action and new ways of working enabled 100% remote working. Continuous information focused on the health status of employees, steps taken by the company to maintain operation of the business, preventive measures, etc.

- Employee motivation through opinion surveys and continuous information.
- Guaranteeing jobs, service and compliance with the business plan. Immediate technological adaptation. In addition, work-life balance measures have been encouraged, anticipating and improving on legal requirements.
- Community support. Involvement in social actions related to the fight against the pandemic.

In 2020, Bankinter decided to continue taking care of all its employees and encouraging healthy habits, through the "Bankinter Te Cuida" (Bankinter, here to help) programme

Employee relationship model

2020 was a difficult year. The main objective of the People Management team was to provide special added value for the business, remaining especially close to employees, digitalising processes and promoting digital self-service, while carrying out specific contact campaigns with all employees, striving for an appropriate balance between proximity and digitalisation.

The People Management team carried out the following contact actions to promote closeness and keep in touch with employees in the toughest months of lockdown and the subsequent relaxation:

- **COVID-19 employee contact campaign:**

In the second half of March and in April, the People Management team made 5,069 calls to employees, reaching the entire workforce, to ask about their health, family environment and professional situation, and find out their main concerns about the management of the crisis and the future of the business. In the same period, the Occupational Risk Prevention team made 668 calls related to the impact of the pandemic and monitoring identified cases of infection.


- **Office Return Plan:** in May, the *HR Business Partners* team contacted more than 1,000 managers to assess the state of their teams after seven weeks of the state of emergency, and to identify concerns and difficulties relating to the return to work, supporting managers in the challenge of leading the return of their team to the "new normal".

- Between May and July, a number of remote **sessions to promote health and safety protocols for returning to work in person** were held. More than 2,200 employees tuned in.

One of the most important aspects of our Relationship Model is the focus on communicating our human resources offering to employees from their perspective, i.e. what that person might need at the time.

A new employee contact campaign was launched in September, called #GestiónDePersonas @Vosotros. This was designed to hold meetings with natural teams (i.e. network branches or central services departments) at which HR Business Partners could share the products and services that Bankinter makes available to its employees, through People Management, with an agenda of content based on the time of year.

In October 2020 the new People website was launched, continuing this approach of developing an offering and tools that meet the needs of employees at every stage in their careers. This website has been designed by and for employees. It enables content to be personalised for each employee's needs, functioning as a digital self-service tool providing our employees with immediate and effective solutions. The target is for 40% of queries to be resolved in a simple and agile way through the website.

 Refer to the "Dialogue with employees" section for more information.

In October 2020, the new People website was launched. This was designed by and for employees, allowing content to be personalised for the needs of each employee.



Training and talent

In 2020, we were able to deliver our intensive annual training plan, supporting development of the knowledge, competences and skills of the Bank's employees, with the necessary adaptations due to the impossibility of delivering in-person training after March. This training focused on three main areas of action:

1. Regulatory compliance:

To meet the needs resulting from ever increasing regulation, and the new Real Estate Lending Law in particular, more than 2,300 people from our commercial network and areas directly involved in the mortgage process received training in this area, with 96% of the people trained receiving official certification. To comply with EU's MIFID II directive, a training programme in providing financial advisory services for customers was held, leading to 98% of the people requiring this certification having an up-to-date version. Training was also delivered in relation to the Insurance Brokerage Law, with 97% compliance.

2. Rollout of the B-Lider programme.

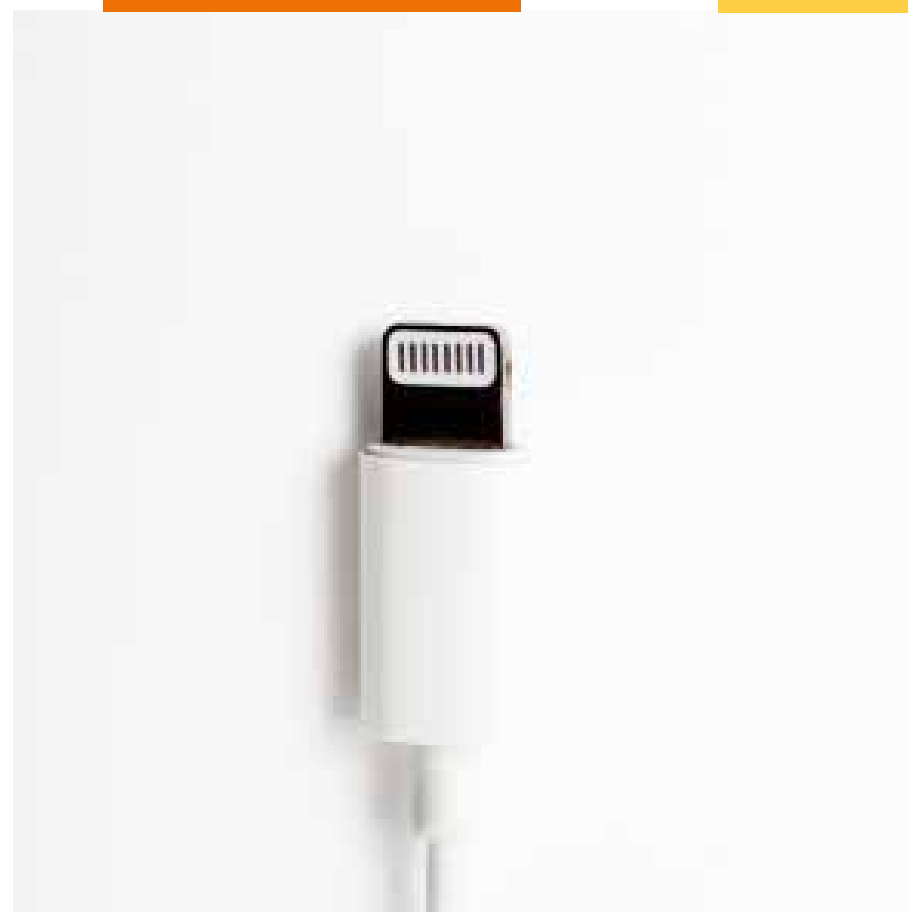
Started in late 2017, the programme reached maturity in 2019 as a major leadership development and cultural transformation tool, involving 659 HR managers. Based on 360° feedback, the participants designed an individual development plan (through workshops, coaching, monitoring, etc.) to reach their highest leadership potential. All Bankinter's human resource managers will have done this by the end of 2021.

3. Consolidation of the comprehensive talent management model.

This defines the critical positions in the Bank and a succession plan for each one, and identifies the type of talent in certain groups in the Bank. In 2020, the 2nd talent and succession review exercise was performed for the 82 management team members. There is now a talent map for each area and all of the succession plans have been updated.

In 2020, as in other years, the performance of Bank employees was assessed as part of the BKcrece programme, which aims to help drive their development, measuring their performance and contribution, identifying their strengths and areas for improvement, and providing quality feedback. During the year, 99.6% of the staff in Spain eligible for a performance assessment received one, with 95.2% of personnel managers being subject to bottom-up assessment.

In 2020 the full annual training plan was delivered, to help develop the knowledge, skills and abilities of the Bank's workforce.



Our learning model

The focal point for training at Bankinter is our Corporate University, where the learning and development of our professionals are promoted through their own proactivity and responsibility.

The Corporate University is divided into eight schools:



The wide range of Bankinter's training offered in Spain, with 316 training actions delivered, is complemented by the activities of the virtual campus. 387,000 hours of training were delivered in 2020, 30% more than in 2019, 90% of them online. 99% of our employees received training over the year, with an average of 79 hours per employee. The NPS (satisfaction index) was 48.73% (moving annual average).

Bankinter Portugal has continued to invest in the development of its people, with significant investment in training and promoting talent. This is clearly demonstrated through international EFPA (European Financial Planning Association) certifications, with 65% of our commercial network managers now being certified, the only ones in Portugal.

In addition to this international certification, the Bank has encouraged its employees to take public speaking, effective presentations and remote work management training, in collaboration with specialist providers. All of this training was delivered online and adapted to the current situation.

Línea Directa has developed its training model, changing its structure to: ensure that it prepares everyone for the digital transformation, both in its content and in their practices; promote a self-learning and self-development culture; increase the percentage of digital training compared to face-to-face methodologies; centralise training and channel it through the platform;

and have it adopted as a tool by other Group companies needing more and better data exploitation and agile management.

The new content structure is classified into Schools (similar to the Bankinter model) and Development Programmes, with an open catalogue of online training resources for all employees.

In EVO, training is delivered through the *B Smart* training tool as a single universal training approach for the entire organisation, classified into several blocks: mandatory and regulatory training, development training, employee-led training sessions to promote their areas and sessions to help employees during the months of lockdown.

The Avantcard training plan focuses on and is committed to developing employees' skills and abilities, and creating learning opportunities. Technical training remains the prime focus, due to the regulatory changes.

Our adaptation to a new reality

In 2020, the Training and Talent areas focused on increasing the digital and technological training of employees, through specific, benchmark programmes that facilitate understanding of the current environment. They also focussed on continuing programmes to meet the demands resulting from the increasing regulation of banking activity, turning banking professionals into a highly qualified group.

These programmes are all inspired by a philosophy of personal growth, with employees being responsible for their own learning and development, and improving their skills by developing their strengths, creating a leadership culture that allows people managers to achieve their full potential.

- **Bdigital: Digital culture acceleration programme**

This programme aims to facilitate the development of Bankinter's culture, which is already agile and innovative, towards a more digital culture, promoting digital behaviours and skills through agile methodologies and collaborative ways of working. This is structured around three pillars:

- **Improvement of behaviours and digital skills linked to business objectives**, starting from individual diagnosis of digital skills and offering employees a specific training offering in digital skills and workshops to improve digital sales skills. In parallel, the objective for each centre/branch and natural team is to implement action plans for digital

behaviours and business indicators that promote digitalisation. This is supported by our agents of change (82 digital ambassadors and 667 consuls), who have been trained to facilitate the application of agile methodologies and development of action plans.

- **Improved efficiency, digitalisation and collaborative work**

in day-to-day activities: the objective is to improve collaborative working skills, making five practical guides for the use of collaborative tools and ten information sessions available to all employees: 1,521 people attended these sessions.

- **Improved digital profile of leaders:**

leaders set an example for their teams. It is, therefore, essential to improve their skills to generate a culture and way of doing things that is more digital and agile. There are two programmes for this: one is for all team managers while the other is for the Bank's top leaders, with the objective of raising their awareness of their dual responsibility as examples and, therefore, generators of this culture.

- **STEAM talent management model**

The ceaseless transformations in the digital world have made us focus on the need to attract, develop and retain new professional profiles to be successful in the new data era.

This is why we have developed a specific talent management model for STEAM (Science, Technology, Engineering, Arts and Mathematics) profiles, with a more open concept of the profiles needed

in these professionals, with basically a technological or scientific academic background, without ignoring other disciplines such as art and design, which are relevant in a world that demands ever more creativity (tools such as design thinking, creative thinking and conflict resolution are already used on a regular basis in our companies).

We consider criteria such as academic training, specific training in data matters (Data Driven) and experience in purely analytical and adjacent areas to identify this very specific group.

The design of this model is mainly based on technical knowledge acquired through training and experience, considering experience in analytical areas at the same level as deep training in Data Driven subjects (generally developed in the last five years). This has resulted in the group identified through this model being very diverse, not only in gender but also, especially, in age.

This new model has identified this group, which is so strategic for the Bank, and distributed it into talent groups, enabling us to set retention, development and mobility goals for each group, and the most appropriate action plans in each case.

In Línea Directa, the range of Training and Talent programmes, such as "Grow" and "Smile", seeks to create a value proposition for professionals who lead teams, through training that generates a strategic vision of the business and people management. These programmes are also based on the latest

developments in training and leadership, with the aim of driving the Company's digital transformation. Recent promotions have worked on the ability to inspire teams to digital transformation, new paradigms for business management and "management 3.0".

Our Processes and Technology teams have focused on the "agile" methodology. Through the "Wake up your agile side" programme, Process and Technology employees are immersed in learning and applying the principles, methodologies and tools of the Kanban method. The objective is to drive substantial change resulting in efficient project management, through transparency and the creation of collaborative environments, and through the daily interactions of the teams on their tasks. This training and the community that has been generated around it has led to the specialist work teams becoming much more professional.

Training*

	2020 Group total	2019 Group total
No. of training activities	796	848
People trained	8,349	8,273
Hours of training	493,416	404,381
Training hours per employee	59	49

* Does not include Avantcard information

2020 hours of training by category*

	Male	Female	Total
Staff	24,302	35,796	60,098
Commercial/technicians	70,043	92,820	162,863
Senior commercial/technicians	68,176	63,842	132,017
Middle managers	81,259	51,257	132,516
Managers	4,014	1,907	5,921
Total	247,794	245,622	493,416

* Does not include Avantcard information

2020 average training hours by category*

	Male	Female	Total
Staff	34	31	32
Commercial/technicians	60	58	59
Senior commercial/technicians	71	72	72
Middle managers	78	72	76
Managers	30	28	29
Total	62	56	59

* Does not include Avantcard information

2019 hours of training by category*

	Male	Female	Total
Staff	25,884	35,574	61,458
Commercial/technicians	50,888	68,319	119,207
Senior commercial/technicians	51,165	50,641	101,805
Middle managers	68,968	44,801	113,769
Managers	5,340	2,803	8,143
Total	202,244	202,137	404,381

* Does not include Avantcard information

2019 average training hours by category*

	Male	Female	Total
Staff	37	31	33
Commercial/technicians	46	50	48
Senior commercial/technicians	58	54	56
Middle managers	62	57	60
Managers	37	42	39
Total	51	47	49

* Does not include Avantcard information

Performance appraisal

Country	2020			2019		
	No. of appraisals	Period-end head-count	Completion rate	No. of appraisals	Period-end head-count	Completion rate
Spain	7384	7608	97%	7,012	7,482	97%
Luxembourg	30	30	100%	28	30	100%
Portugal	757	772	98%	746	769	98%
Ireland	181	258	70%	-	-	70%
Total	8,352	8,668	96%	7,786	8,281	96%

Performance appraisals by gender

	2020					2019			
	Spain	Luxembourg	Portugal	Ireland	Total	Spain	Luxembourg	Portugal	Total
Male	3,484	21	369	84	3,958	3,282	19	366	3,667
Female	3,900	9	388	97	4,394	3,730	9	380	4,119
Total	7,384	30	757	181	8,352	7,012	28	746	7,786

Performance appraisals by professional category

Professional category	2020					2019			
	Spain	Luxembourg	Portugal	Ireland	Total	Spain	Luxembourg	Portugal	Total
Staff	1,834		27	107	1,968	1,811	0	47	1,858
Commercial/technicians	2,107	7	384	37	2,535	1,869	7	396	2,272
Senior commercial/technicians	1,633	13	104	28	1,778	1,598	12	96	1,706
Middle managers	1,636	9	235	8	1,888	1,572	8	200	1,780
Managers	174	1	7	1	183	162	1	7	170
Total	7,384	30	757	181	8,352	7,012	28	746	7,786

Performance appraisals by age

Age bracket	2020					2019			
	Spain	Luxembourg	Portugal	Ireland	Total	Spain	Luxembourg	Portugal	Total
Under 30	452	2	11	14	479	468	1	7	476
From 30 to 39	2,176	9	162	46	2,393	2,238	12	217	2,467
From 40 to 49	3,206	13	454	82	3,755	2,979	11	422	3,412
From 50 to 56	1,106	5	110	26	1,247	965	3	89	1,057
Over 56	444	1	20	13	478	362	1	11	374
Total	7,384	30	757	181	8,352	7,012	28	746	7,786

* 2019 data does not include Avantcard

Selection

In 2020, the pandemic and the lockdown period it caused from March led the area to focus on the profiles essential for driving technology and digitalisation.

The Bank has continued to rely on internal talent as one of its main recruitment sources, with internal turnover reaching 11% in 2020. The internal rotation or mobility policy allows employees to take on new challenges and develop professionally, while continuing to train continuously to adapt to new responsibilities. This promotes the transmission of knowledge and cultural integration in the case of international mobility (Bankinter Luxembourg and Bankinter Portugal).

The Bank's priority for young talent during this very different year prioritised people's health at all times, without forgetting our commitment to the training and professional development of the young people who joined our internship programmes. Following the recommendations of the health and educational authorities during the crisis situation and subsequently applying a criterion of prudence, the Bank decided to suspend student internships between March and September. It launched a return plan in October so that our university students could complete their internships in the areas and centres they had to leave in the spring.

The Bank continues its commitment to diversity and the incorporation of young talent, especially profiles specialising in science and data. It launched its STEAM University Programme in the last quarter of the year to attract a new group of students to join in early 2021 for internships in various analytical areas (such as Data Management, Data Technology and Analytical CRM).

In the other Group companies, the selection strategy also focuses on covering the strategic needs of each business, developing internal talent and improving the hiring and onboarding processes in the case of new recruits. With regard to selection processes, respect for equal opportunities and non-discrimination on any grounds are recognised and applied throughout Bankinter Group, in addition to favouring the hiring of people with disabilities.

Bankinter Portugal's "*Portugal First*" programme is continuing and currently has 22 Portuguese employees between Spain and Luxembourg, with excellent results.

In Línea Directa, 2020 was marked by the future IPO and the company's digital transformation, for which the teams were prepared with professionals bringing essential knowledge and experience for the challenges of this new stage. The main objectives of the Selection area were to:

- Ensure that the company has the best professional employees, who are well trained and identify with the company's project, with experience mainly in listed companies and digital transformation.¶
- Implement the new *Digital OnBoarding* process, covering the process for integrating people into the company, starting one week before they join and ending six months later. This is part of the new experience for candidates and employees in their life cycles. The process is based on an app.
- The focus is on specialists in data and technology, young talent and customer-relations professionals. The year was marked by remote selection processes combined with numerous social network (LinkedIn) initiatives and Hackathons, with a virtual presence in universities. A selection model based on adding value to candidates.

The bank has continued its commitment to internal talent, with internal turnover reaching 11% in 2020.

Selection

	2020 Group total	2019 Group total
No. of recruitment processes	377	1,007
No. of candidates	6,307	16,854

Internal rotation

	2020 Group total	2019 Group total
No. of vacancies	137	260
No. of candidates	1,054	1,749

2020 ADDITIONS

Country	No. of additions	Period-end headcount	Recruitment rate
Spain	473	7,608	6%
Ireland	28	258	11%
Luxembourg	3	30	10%
Portugal	20	772	3%
Total	524	8,668	6%

2020 ADDITIONS

Gender	No. of additions	Period-end headcount	Recruitment rate
Male	283	4,546	6%
Female	241	4,122	6%
Total	524	8,668	6%

2020 ADDITIONS

Age bracket	No. of additions	Period-end headcount	Recruitment rate
Under 30	178	554	32%
From 30 to 39	200	2,475	8%
From 40 to 49	114	3,847	3%
From 50 to 56	26	1,286	2%
Over 56	6	506	1%
Total	524	8,668	6%

2019 ADDITIONS

Country	No. of additions	Period-end headcount	Recruitment rate
Spain	706	7,482	9%
Ireland	30	250	12%
Luxembourg	3	30	10%
Portugal	25	769	3%
Total	764	8,531	9%

2019 ADDITIONS

Gender	No. of additions	Period-end headcount	Recruitment rate
Male	426	4,076	10%
Female	338	4,455	8%
Total	764	8,531	9%

2019 ADDITIONS

Age bracket	No. of additions	Period-end headcount	Recruitment rate
Under 30	271	607	45%
From 30 to 39	287	2,669	11%
From 40 to 49	163	3,673	4%
From 50 to 56	38	1,159	3%
Over 56	5	423	1%
Total	764	8,531	9%

2020 TERMINATIONS

Country	No. of terminations	Period-end headcount	Turnover rate
Spain	342	7,608	4%
Ireland	2	30	7%
Luxembourg	23	772	3%
Portugal	20	258	8%
Total	387	8,668	4%

2020 TERMINATIONS

Gender	No. of terminations	Period-end headcount	Turnover rate
Male	194	4,546	4%
Female	193	4,122	5%
Total	387	8,668	4%

2020 TERMINATIONS

Age bracket	No. of terminations	Period-end headcount	Turnover rate
Under 30	92	554	17%
From 30 to 39	116	2,475	5%
From 40 to 49	114	3,847	3%
From 50 to 56	15	1,286	1%
Over 56	50	506	10%
Total	387	8,668	4%

2020 TERMINATIONS

Voluntary	No. of terminations	Period-end headcount	Turnover rate
Bankinter Group	172	8,668	2%

Dismissals by age

Age	2020	2019
Under 30	30	22
From 30 to 39	29	80
From 40 to 49	34	57
From 50 to 56	2	23
Over 56	1	6
Total	96	188

Dismissals by professional category

Professional category	2020	2019
Staff	71	102
Commercial/technicians	12	43
Senior commercial/technicians	6	23
Middle managers	7	19
Managers	0	1
Total	96	188

Dismissals by Gender

Gender	2020	2019
Male	52	91
Female	44	97
Total	96	188

2019 TERMINATIONS

Country	No. of terminations	Period-end headcount	Turnover rate
Spain	589	7,482	9%
Ireland	20	250	12%
Luxembourg	1	30	10%
Portugal	40	769	3%
Total	650	8,531	8%

2019 TERMINATIONS

Gender	No. of terminations	Period-end headcount	Turnover rate
Male	337	4,076	8%
Female	313	4,455	7%
Total	650	8,531	8%

2019 TERMINATIONS

Age bracket	No. of terminations	Period-end headcount	Turnover rate
Under 30	128	607	21%
From 30 to 39	238	2,669	9%
From 40 to 49	166	3,673	5%
From 50 to 56	45	1,159	4%
Over 56	73	423	17%
Total	650	8,531	8%

2019 TERMINATIONS

Voluntary	No. of terminations	Period-end headcount	Turnover rate
Bankinter Group	257	8,531	3%

Corporate benefits

Bankinter offers social benefits that go beyond legal requirements and apply to all employees. The main benefits are:

- Assistance in training for employees.
- Assistance in the education of employees' children.
- Medical insurance.
- Life insurance.
- Accident insurance.
- Advances on monthly salaries (those included in the banking sector collective bargaining agreement for the purchase of a computer, to pay for total immersion language courses abroad, or postgraduate studies relating to the employee's professional activity).
- Banking products and services with special conditions for employees, such as mortgage loans (including novations), both ordinary loans and real estate loans; review of interest rates on mortgage loans, loans aimed at first-time residential buyers and other loans
- Meal subsidies, depending on their working hours, which can be taken as an addition to salary or in the form of restaurant vouchers.

Another benefit offered by the Bank is a flexible remuneration system, whereby employees can partially substitute their fixed monetary remuneration for certain goods and services (remuneration in kind), such as nursery vouchers, shares, medical insurance, training, pension plan contributions, travels cards and restaurant cards.

This increases employee remuneration in two ways: through the Bank's bargaining power to get the best prices possible for the goods and services included in the system; and through the tax advantages offered by certain products arranged through this system. Currently 60% of employees use this flexible remuneration tool.

Línea Directa has an Advantages and Benefits Plan for employees offering more than 130 benefits, actions and measures for the people who work in the company. The social benefits offered to employees include professional development, flexibility, well-being and savings, and contributions to a more sustainable world and to work-life balance. Other benefits include discounts on Línea Directa life and accident insurance products, discounts on vehicle rental, training assistance and advances.

Línea Directa also has a Flexible Remuneration Programme that allows employees to arrange and renew a child day care service, transportation service, health insurance and training courses, through which employees can benefit from significant income tax advantages.

EVO and Avantcard offer similar benefits, related to life and health insurance, as well as various types of allowances for things such as training, childcare and disability.

Bankinter offers social benefits that go beyond legal requirements and apply to all employees.

Pension schemes

The Bank offers the following benefits in long-term remuneration designed to cover certain contingencies:

- supplementary cover additional to the benefits paid by Social Security for widowhood, orphanhood, permanent occupational disability, absolute permanent disability and severe disability. These are provided for the entire workforce.
- Coverage of pension commitments for employees in service since before 1 March 1980, as established in the sector collective bargaining agreement.
- Annual contribution of 450 euros to the pension plan of all employees who have more than two years' service in the industry and whose pension commitments are not covered by any other scheme under the provisions of the banking collective bargaining agreement.

Bankinter is also a member of the Employee Family Plan. This programme, promoted by the Adecco Foundation, provides a variety of types of assistance to employees with disabilities and/or family members in a similar situation so they can achieve real labour market and social integration or perform other activities, including leisure activities.

Total remuneration

Since 2018, Bankinter has had a total remuneration platform that allows employees to consult all the updated elements that form part of their pay package: fixed remuneration, variable remuneration, benefits and emotional compensation (i.e. the benefits offered by Bankinter as salary supplements for employees, to cover their personal, family and professional needs, improve their quality of life and ensure a work-life balance).

Average total remuneration by category

	2020			2019		
	Male	Female	Total	Male	Female	Total
Staff	28,062.43	27,822.22	27,914.82	27,053.69	27,609.36	27,397.61
Commercial/technicians	41,844.14	39,016.38	40,209.35	41,710.75	39,033.32	40,230.59
Senior commercial/technicians	59,574.05	51,333.88	55,614.03	58,015.87	49,471.73	53,646.18
Middle managers	81,320.40	70,048.61	76,758.01	80,792.60	68,382.00	75,681.97
Managers	244,535.29	204,122.49	231,064.36	323,314.03	255,823.43	302,001.21
Total	60,080.38	45,704.70	52,540.07	63,199.83	46,410.80	54,432.29

Average total remuneration by age

	2020			2019		
	Male	Female	Total	Male	Female	Total
Under 30	28,918.86	27,267.05	28,059.31	27,733.81	26,733.20	27,240.95
From 30 to 39	45,384.80	39,044.88	41,988.32	46,432.00	38,536.91	42,129.35
From 40 to 49	60,548.18	47,293.62	53,474.83	63,310.08	49,332.16	55,761.55
From 50 to 56	82,112.43	55,941.42	67,855.59	93,190.65	59,464.90	76,487.55
Over 56	95,371.07	65,530.07	84,972.87	111,527.31	74,281.73	98,847.96
Total	60,080.38	45,704.70	52,540.07	63,199.83	46,410.80	54,432.29

Average remuneration of directors and executives

	2020 ^{1,2}			2019		
	Male	Female	Total	Male	Female	Total
Executive director	1,150,177.30	2,178,037.85	1,664,107.58	1,809,124.53	2,607,905.74	2,208,515.14
Non-executive director	104,904.43	133,582.00	113,507.70	141,145.83	110,662.67	130,984.78
Senior managers	644,557.48	546,749.60	607,879.53	1,033,023.46	730,713.96	919,657.40
Total	392,868.90	602,718.95	466,316.42	651,759.74	733,147.95	681,744.87

(1) The total remuneration received by non-executive directors was paid in the form of: i) annual fixed amount for belonging to the Board of Directors and for the performance of their duties as chairmen of their committees and ii) allowances for attending the meetings of the Board and of its committees. A new director appointed in March 2020 is included.

(2) The total remuneration received by executive directors and senior management includes the 2016-2018 multi-year variable incentive.

Salary gap

- Salary gap calculated by category average: The gender salary gap has been calculated taking into account the total remuneration of the employee (this includes 100% of fixed remuneration other concepts and all variable concepts received by the employee in 2020). The calculation is performed by dividing the total average remuneration of women by the total average remuneration of men for each of the five categories, and calculating an average weighted salary gap for each of these five categories to obtain the total salary gap of 8.58% in 2020.
- Salary gap calculated by position: The gender salary gap has been calculated taking into account the total remuneration of the employee (this includes 100% of fixed remuneration, other concepts and all variable concepts received by the employee in 2020). The calculation is performed by dividing the total average remuneration of women by the total average remuneration of men for each of the positions defined previously (taking into account internal levelling and the position sub-family), and calculating an average weighted salary gap for each of these positions to obtain the total salary gap of 6.0% in 2020.

Salary gap calculated by category average		
	2020	2019
Total	8.58%	8.55%

Salary gap calculated by position		
	2020	2019
Total	6.00%	5.41%

Relationship between the fixed remuneration of the highest paid person and the median fixed remuneration for all employees, except the highest paid person		
	2020	2019
Spain	24.25	23.22
Portugal	6.59	6.31
Luxembourg	3.02	2.70
Ireland	7.64	7.91

Relationship between the percentage increase in the fixed remuneration of the highest paid person and the percentage increase in the median fixed remuneration for all employees, except the highest paid person		
	2020	2019
Spain	1.42	1.47
Portugal	2.31	0.16
Ireland	0	0

* Information for Luxembourg is not included as its sample of employees is not significant.
The average percentage increase for the entire workforce except the highest paid person is considered

Ratio of standard entry-level salary compared to local minimum wage*		
	2020	2019
Spain	1.75	1.85
Portugal	1.39	1.47
Luxembourg	1.14	1.05
Ireland	1.12	1.12

* The ratio is calculated using the standard starting category in the applicable agreement. It is, therefore, the same for men and women.

Disconnection policies

Bankinter Group ensures that employees do not work more than the hours assigned and under no circumstances are they asked to carry out work-related tasks outside of their workday. To this end, it works to ensure that work loads are in line with available working hours. In the event that the working day must be extended occasionally, flexibility mechanisms have been put in place to compensate any excesses.

The collective agreements for banks and savings banks already include employment disconnection measures through collective bargaining. These will be applied in Bankinter Group companies.

Bankinter is a certified family-responsible entity (EFR). It is involved in a task force set up by the Más Familia Foundation for sharing the practices of large EFRs. Línea Directa is also a certified family-responsible entity and has a specific internal policy regarding digital disconnection.

The new collective bargaining agreement approved on 3 December 2020 for Savings Banks and Financial Institutions 2019-2023 applies to EVO, regulating the legal framework for work disconnection policies.

At Avantcard, employees' working hours are regulated by the Organisation of Working Time Act (introduced by the Irish government to ensure that companies treat and pay their staff fairly).

Employees with a disability

Bankinter has agreements with entities, such as the ONCE Foundation, to hire people with disabilities. Bankinter is also a member of the Employee Family Plan. This programme, promoted by the Adecco Foundation, provides a variety of types of assistance to employees with disabilities and/or children in a similar situation so they can achieve real labour market and social integration or perform other activities, including leisure activities. The various measures related to employees and family members with disabilities have been implemented through the Family Responsible Company management system. The Bank has incorporated accessibility criteria into its work environments to facilitate the hiring of people with disabilities, with certificates for this at its buildings in Madrid, including its headquarters at Paseo de la Castellana 29 and the LEED building at Avenida de Bruselas 14.

The Bank's Corporate University also has universal physical accessibility certification under the UNE 170001 standard.

In the case of Línea Directa, disabled persons are included in the value chain through the Sin Límites Programme, which aims to facilitate the integration and development of people with varying degrees of disability in various positions at the company. Through this programme, when a person with a disability submits this certificate, they are offered financial aid of 1,500 euros. Línea Directa has employees with disabilities in all professional groups.

Línea Directa provides employees with a certified degree of incapacity of 33% or more with the service of a guide or mentor, who assists them with any formalities that may be necessary in the company.

Fundación Randstad also offers a labour and psychological advisory service for Línea Directa employees and their family members who have any type of disability. The Foundation also offers financial aid in addition to that provided by Línea Directa to employees who provide their certificate of disability.

Employees with a disability

	2020		
	Employees	Total staff	% disability
Spain	49	7,608	0.64%
Portugal	8	772	1.04%
Ireland	1	258	0.39%
Luxembourg	0	30	0.00%
Total	58	8,668	0.67%

Employees with a disability

	2019		
	Employees	Total staff	% disability
Spain	87	7,482	1.16%
Portugal	9	769	1.17%
Ireland	1	250	0.40%
Luxembourg	0	30	0.00%
Total	97	8,531	1.14%

Work-life balance

Both Bankinter and Línea Directa have family-responsible entity (EFR) certificates. With this certificate, the Más Familia Foundation recognises those entities that contribute most to achieving a good work-life balance in terms of quality employment, work-life balance, equal opportunities and professional development. These measures are implicitly related to the organisation of employees' working hours.

The implementation of numerous social responsibility and work-life balance measures has therefore been accredited, grouped by the EFR system groups into six categories:

1. Quality employment.
2. Temporal and spatial flexibility.
3. Support for employees' families.
4. Professional development.
5. Equal opportunities.
6. Leadership and management style.

The corporate intranet for all Group companies has specific sections devoted to work-life balance that provide employees with information on all the measures and explain how they can apply them.

Both Bankinter and Línea Directa have family-responsible entity certificates.

Parental leave

	2020 TOTAL GROUP*			2019 TOTAL GROUP**		
	Male	Female	Total	Male	Female	Total
Employees entitled to parental leave in 2020	198	220	418	201	238	439
Employees who took parental leave in 2020 (*)	170	218	388	192	257	449
% of staff returning to work after leave	99.3	95.0	96.9	98.4	91.7	94.7
% of staff returning to work after leave and still at the organisation 12 months later	95.1	95.1	95.1	92.8	94.8	94.0

* Includes employees who started their parental leave in 2019

** Includes employees who started their parental leave in 2018

Dialogue with employees

Bankinter has defined a comprehensive framework for action with its employees - its main asset - at the core. It understands that their satisfaction and engagement are crucial to the Bank's success and have a direct impact on the income statement, which represents the Group's main risk of internal corporate management.

Satisfaction surveys are carried out with all staff every two years (Opina survey) with a sampling of employees every other year (Séncor survey) to monitor this aspect.

Based on the findings of these surveys, action plans are implemented to improve the attributes with the lowest scores. The sustainable management indicator is considered a key aspect, since it shows the direct correlation between companies with a high level of this commitment and companies that deliver superior business results.

The 2020 Opina survey showed a ten-point increase in the 'Sustainable commitment' indicator compared to the 2019 Séncor survey, and three points compared to the 2018 Opina survey, to 87%, ten percentage points above the average for Spanish companies.

The "Employee relationship model" section describes the communication actions with employees during the pandemic in 2020.

In Portugal, the People Management area has carried out several programmes related to communication and closer relationships with employees, such as 'HR with you', 'Together we

make a difference', 'Inter-team breakfasts' and 'We are Bankinter'. As in Spain, six-monthly service quality surveys allow employees to evaluate the service they receive internally from other areas and suggest improvements and recognition. Every year, a totally confidential Organisational Climate Survey is carried out by an external consultant, gathering the opinions, suggestions and ideas of employees on multiple issues related to the Bank's management.

In 2020, the Bank's employees were consulted about the importance for them of the various sustainability management issues (in their social, environmental and governance areas), as part of the design of the Bank's new Sustainability Plan (refer to the Materiality Analysis section in the Sustainability chapter)

For Línea Directa, a 'Get involved' survey is carried out annually with employees, where they can report areas of improvement for the Company so that the appropriate measures can be taken. The pandemic prevented this survey from being run normally in 2020. Instead, we opted for the opinion poll methodology, with direct segmented surveys to obtain a quick and direct response about management. This gave us an understanding of the perception of the management of the pandemic and the numerous measures implemented. We also have several permanent communication channels for employees such as the employee portal, the employee channel, the COVID channel and the general affairs channel.

Direct dialogue with EVO's employees was strengthened and adapted in 2020

in response to the pandemic, in order to maintain communication and the well-being of employees during a period when all or part of the workforce was working remotely. The following initiatives were implemented: Regular communications from general management, proactive communication from the Human Resources area, well-being surveys of the workforce and general communications to promote employee well-being and motivation.

Avantcard carried out employee surveys in 2020 related to employee engagement and involvement, obtaining very positive results that helped the company to earn 'Great Place to Work' recognition. Also in 2020, in response to the challenges of the pandemic, an opinion poll was conducted in May to understand employees' concerns and gather feedback on the company's response to the pandemic.

The "Sustainable commitment" indicator stands at 87%, ten points above the average for Spanish companies.

Trade union representation

The Group is firmly committed to respecting employment regulations, union rights and the freedom of association and collective representation, providing employees with optimal channels of social dialogue and participation to resolve conflicts or differences between the parties and reach agreements within the employment framework.

Worker representation is carried out through two mechanisms:

- Unitary representation (where representatives may submit their candidacies freely, which are voted on by employees).

In the case of Bankinter, these are in place at:

- Bankinter Global Services, S.A., where the unitary representation is for the entire company, as it is a single work centre.
- Bankinter, S.A., but only in certain geographical areas. In practice, there are company committees or employee delegates in all centres or groupings of centres where the Workers Commission trade union (CC.OO.) has put forward a candidate.

- Representation through the trade union branch: this representation extends throughout the Company, both at Bankinter, S.A. and at Bankinter Global Services, S.A., the two companies where the CC.OO. officially has a trade union branch. Bankinter, S.A. also has one delegate in accordance with the Organic Law on Freedom of Association (LOLS), in Málaga.

With this trade union structure, which is included in the Workers' Statute and the Organic Law on the Freedom to form a Trade Union (LOLS), 100% of the Company's employees are considered to be covered by this representation, which is also the case with EVO and Línea Directa.

In the case of Avantcard, the company recognises the right of employees to join trade unions, although in Ireland companies have no obligation or requirement in this respect.

Collective bargaining agreements

100% of the Group's employees have signed the collective bargaining agreement applicable at each work centre of the Group companies.

These obligations are fulfilled pursuant to current legislation in accordance with the circumstances of each company.

The collective bargaining agreements in place at all Group companies refer to matters related to employee health and safety, as well as the prevention of occupational risks. They also promote and encourage organisational, training and information sessions on these matters.

Employees covered by collective bargaining agreements

	2020	2019
Spain	100%	100%
Luxembourg	100%	100%
Portugal	100%	100%
Ireland	(1)	(1)

(1) Avantcard recognises the right of employees to join a union, although there is no compulsory recognition of unions in Ireland and therefore Avantcard does not need to recognise or negotiate with a union.

100% of the Group's employees have signed the collective bargaining agreement applicable at each work centre of the Group companies.

Health and safety committees

At Bankinter, health and safety committees made up of union and company representatives have been created in the provinces of Barcelona, Madrid, Valencia, Alicante and Murcia, and at Bankinter Global Services. These committees meet on a quarterly basis and discuss matters regarding health and safety to minimise occupational hazards and improve employees' health.

CCOO prevention officers are in place in other provinces, such as Guipúzcoa, Álava and Gerona, where committees cannot be formed because of the number of employees. Health and safety aspects affecting the employees they represent are discussed with these officers.

EVO also has a health and safety committee.

The Health and Safety Committee is the internal participation body that regularly

looks at the Company's actions regarding risk prevention. It is composed of OHS delegates and an equal number of representatives appointed by the Company. It is, therefore, a joint, consultative and collegiate participation body.

The legal regulation on OHS delegates is included in article 35 of Law 31/1995. This designation is carried out "by and among the employee delegates" (except when another designation method is agreed in

the collective bargaining agreement, which is not the case). Since Línea Directa does not currently have any employee delegates designated at the Company, it does not have any OHS delegates and, therefore, no Health and Safety Committee.

A health and safety management system, certified under OHSAS 18001, has been implemented at the Bankinter facilities in Portugal.

Days absent*

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent
Common illness	55,416	381,723	50,984	372,051	4,062	28,434	2,245	15,715	1,468	10,864
Female	38,127	261,528	38,338	278,766	2,901	20,307	1,431	10,017	1,101	8,150
Male	17,289	120,195	12,646	93,285	1,161	8,127	814	5,698	367	2,714
Total occupational accidents with medical leave	1,105	7,242	1,318	9,947	37	259	29	203	0	0
Female	539	3,314	455	3,426	10	70	17	119		
Male	566	3,927	863	6,521	27	189	12	84		
Total	56,521	388,965	52,302	381,998	4,099	28,693	2,274	15,918	1,468	10,864

Days absent*

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent	No. of days absent	No. of hours absent
Maternity	14,274	103,001	12,762	95,298	2,580	18,060	2,447	17,129	496	3,670
Female	14,186	102,327	12,683	94,721	2,580	18,060	2,447	17,129	496	3,670
Male	88	674	79	577			0	0		
Paternity	5,640	39,804	3,759	28,265	546	3,822	566	3,962	69	511
Female	61	342	0	0			0	0		
Male	5,579	39,462	3,759	28,265	546	3,822	566	3,962	69	511
Total	19,914	142,805	16,512	123,563	3,126	21,882	3,013	21,091	565	4,181

* The 2019 figures do not include information on Avantcard

Absenteeism rate not including maternity/paternity leave^{1,2}

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Absenteeism rate	1.059	2.294	0.827	2.374	0.678	1.661	0.451	0.791	0.585	1.756
Total	3.4		3.2		2.3		1.2		2.3	

Absenteeism rate including maternity/paternity leave^{1,2}

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Absenteeism rate	1.396	3.140	1.062	3.150	0.990	3.133	0.761	2.129	0.695	2.547
Total	4.5		4.2		4.1		2.9		3.2	

Accident rate^{1,2}

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Accident rate	0.001	0.001	0.003	0.003	0.001	0.001	0.007	0.009	0	0

Occupational accidents^{1,2,3}

	Spain				Portugal				Ireland	
	2020		2019		2020		2019		2020	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Frequency rate	0.701	0.234	1.518	0.400	0	0	0	0	0	0
Severity rate	0.014	0.004	0.041	0.003	0	0	0	0	0	0
No. of fatalities due to occupational illness	0	0	0	0	0	0	0	0	0	0
Type of occupational illnesses	In view of the Bank's activities, no occupational illnesses were detected.									

1 The 2019 figures do not include information on Avantcard

2. Only in-house staff are reported. Average employee numbers are used in calculating the rates.

3. The risk of injury due to occupational accidents is low

Equality plans and measures adopted to promote equal opportunities

Bankinter has an equality plan that sets out policies that govern the day-to-day operations at the Company with regard to equality and non-discrimination. The main commitments of this plan are as follows:

- Bankinter respects the principle of non-discrimination based on race, gender, ideology, nationality, religion, sexual orientation or any other personal, physical, psychological or social condition of its employees, and will promote equal opportunities among its employees, including gender equality, the integration of employees of other nationalities and the inclusion of people with disabilities. This commitment involves removing any obstacle that might stop the Company complying with the right of equal treatment and opportunities.
- Bankinter also rejects any manifestation of physical, sexual, psychological or moral harassment and violence in the workplace, as well as any offensive or abusive behaviour that creates an environment of intimidation with regard to employees' personal rights.
- The Entity also rejects employment discrimination practices that are contrary to the fundamental rights of its employees.

- Equal opportunities for men and women are imperative for reasons of justice and equality, but they have also become a condition for economic progress and a necessity for companies that wish to effectively compete in attracting and retaining talent.

In 2021, actions will be implemented to adapt the Equality Plan to the new legislation approved in the last quarter of 2020. Similarly, Equality Plans will be implemented for Group companies with more than 50 workers, to whom the Bankinter Equality Plan has so far applied.

Bankinter has an Action and Prevention Protocol for any situation of workplace harassment and a confidential whistleblowing channel, in order to resolve any potential situations of harassment that arise, quickly, confidentially and appropriately.

Línea Directa also has an Action and Prevention Protocol for situations of psychosocial risk (published on the corporate intranet) that includes the main action principles in this regard, aimed at preventing any type of harassment, as well as a procedure for reporting, handling and resolving these situations.

Any decisions regarding the management of people that belong to the organisation are taken in accordance with objective criteria, such as the results of their performance evaluation and objectives.

Training plans also seek to raise awareness among personnel managers of the need to treat all employees equally.

Línea Directa has an Equality Policy, approved by the CEO, which recognises as a strategic principle the development of labour relations based on equal opportunities and non-discrimination between men and women within the organisation, respect and equal professional promotion in an environment that favours diversity, and the development and implementation of work-life balance measures according to current legislation.

The Company has also drawn up and published an Equality Policy. This plan is reviewed on an annual basis by the Technical Equality Team to detect and, where applicable, correct any potential deviation from the plan.

Training plans also seek to raise awareness among personnel managers of the need to treat all employees equally.

The Equality Plan is based on the initial commitment made by the Company's general management, disseminating and implementing the following aspects throughout the organisation:

- Equal access to employment, hiring and termination.
- Promotion and professional development based on individual merit and achievements.
- Remuneration policies according to the above principles.
- Training as a specific instrument to achieve the objectives pursued by this plan and also as an essential element of the Company's business activities. Shared responsibility and reconciliation of the work-life balance for Línea Directa employees.
- Communication and dissemination as a channel for transmitting values, engagement and mutual commitment.
- Gender-sensitive occupational risk prevention, specifically in relation to psychosocial risks, including harassment.

Key measures adopted by Línea Directa to promote equal opportunities include the code of ethics and the confidential whistleblowing channel, adherence to the EJE&CON Code of Good Practices for Talent Management and Improvement of Competitiveness at the Company, membership of the Empowerment of Women in Insurance (EWI) network to

promote female talent, the collaboration with the Ministry of Equality in undertaking to prevent gender violence, the development of a detection and assistance programme in cases of gender violence, and an action and prevention protocol for psychosocial risks.

Additionally, both Bankinter and Línea Directa form part of the MasHumano Network, along with many other major corporations in Spain, which works to implement flexible working models based on productivity, shared responsibility and humanity as key principles for their sustainability.

At EVO Banco the collective bargaining agreement negotiation committee, made up of an equal number of company and worker representatives, is currently drawing up an equality plan.

Avantcard has an equal opportunities policy to prevent discrimination on the grounds of gender, marital status, family status, sexual orientation, religion, age, disability, race or membership of different communities. Its aim is to select, hire, develop and reward the best people based solely on their suitability for the job, and to guarantee that all employment terms and conditions and labour requirements reflect our commitment to equal opportunities.

Bankinter and Línea Directa belong to the MasHumano Network, which works to implement flexible working models based on productivity, shared responsibility and humanity as key principles for their sustainability.



Diversity management policy

In carrying out its activities, Bankinter recognises the value of individual differences and actively promotes diversity in its talent management procedures. Bankinter established a new inclusion and diversity policy in 2020. The aim of this policy is to fulfil the pledge to protect and promote compliance with human rights and the applicable diversity and inclusion laws in the countries in which the Bank operates, guaranteeing equal opportunities and providing fair, non-discriminatory and unbiased treatment.

Línea Directa also approved a Diversity and Inclusion Policy in 2020, setting out its vision, focus and commitment. This will contribute to it achieving its corporate objectives, reflecting the value and richness that diversity brings to the culture and values of Línea Directa, and provides a framework for action to achieve compliance.

Both Bankinter and Línea Directa have signed the Diversity Charter, a project promoted by the European Commission through the Diversity Foundation as part of the EU's anti-discrimination directives. By signing the Charter, entities undertake to:

- Respect the core principles of equality.
- Encourage behaviour that respects the right to include all people, regardless of their diverse profiles, in the work environment and in society.
- Recognise the benefits of including cultural, demographic and social diversity within the organisation, implementing specific policies to ensure a work environment that is free of bias with regard to employment, training and promotion.
- Promote non-discrimination programmes for disadvantaged groups. All Group companies have people management policies that include diversity and equal opportunities criteria. The Group also works closely with various organisations, associations and work groups to promote such policies.

Bankinter recognises the value of individual differences, promoting diversity in the talent management of its people.



Accessibility

Bankinter has implemented certain mechanisms to identify the needs, expectations and motivations of its external and internal stakeholders, endeavouring to provide them with a response through various advanced employment and social management programmes. These programs aim to improve the entity's performance in its relationship with these groups. These programmes include one that is specifically focused on meeting the needs and expectations of disabled and elderly people by aiming to offer them a quality service adapted to their needs.

Accessibility and financial inclusion

Bankinter's pursues its inclusive strategy through the 'A bank for all' programme, which reflects its firm commitment to making all its relationship channels with its stakeholders accessible. This line of action addresses physical accessibility as well as digital and cognitive accessibility.

To ensure the continuous improvement of its accessibility indicators, Bankinter has implemented a Universal Accessibility Management System (UAMS), certified under the UNE 170001 standard, at its singular buildings in Madrid and at branches in various provinces. The company's Corporate University in Tres Cantos, Madrid also has the same certification, meaning that it is accessible to people with any kind of disability.

At Bankinter Portugal, the Properties area is continuing its remodelling plan to guarantee physical access to all branches and work centres for the Bank's customers and employees with reduced mobility.

In terms of digital accessibility, the Bank has set itself the goal of ensuring the accessibilities of all content and services offered through its websites, in line with recommendations from the World Wide Web Consortium (W3C) in its WACG 2.0 guidelines.

In keeping with the accessibility commitment specified in the 'Bank for all' strategy, the Company also offers Braille coordinates cards to allow visually impaired customers to carry out phone transactions, monthly statements in audio and large print formats, and a videocall advisory service in sign language for people with hearing disabilities.

In relation to cognitive accessibility, the Bank has made a Clear Finance Dictionary (<http://diccionarioeconomia.com/>) available to customers, developed in collaboration with the Instituto de Empresa, adapting the meanings of the most commonly used banking terms to make them easier for everyone to understand.

The Commercial Protocol for bank employees also includes service guidelines for differently-abled people for each phase of commercial activity.

With a view to supporting the dissemination of the finance culture, in 2019 Bankinter launched Money Town, a digital financial education platform which includes a simulation game targeted at students aged 12 to 18. The platform is freely accessible for educators and parents who want to teach young people about savings, budgets, investments and payment methods (<https://bankinter.moneytown.es/>). The platform had more than 11,000 registered users at the end of 2020.

The Bank has designed an introductory game to the world of equities for young university students, called 'Game of Traders'. Two rounds of this were held in 2020, attracting over 2,500 participants from more than 80 Spanish universities and academic institutions. The game has a substantial educational component and uses a graphical platform through which the players act as real traders. Most of the participants in the first round of the game had no previous experience of trading, but they were able to find their feet in the investing world through this environment that simulates real market performance.

Bankinter has signed a collaboration agreement with the Confederación Estatal de Personas Sordas (CNSE) to make financial knowledge available to people with hearing difficulties. The training envisaged under this agreement includes the planning of classroom-based actions in the CNSE's regional associations, in addition to the dissemination of online training videos in Spanish sign language.

The Bank also has a videocall service in sign language manned by professionals who are experts in this language to help deaf people carry out transactions and offer advice.

In the case of Línea Directa, all of the company's buildings are accessible and digital accessibility improvements have been introduced in the corporate websites.

Human rights



2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT



The bank has undertaken not to finance operations that could lead to violations of human rights.

Human rights

Commitment to respect, support and protect human rights in our activities

Bankinter is a member of the Spanish Network of the United Nations Global Compact and therefore assumes the commitment to incorporate into its activity the ten principles of conduct and action on human rights. These include the elimination of discrimination in respect of employment and occupation, the elimination of all forms of forced and compulsory labour, and the effective abolition of child labour.

The Bank has also established a human rights policy that includes its commitment to respecting, supporting and protecting human rights in carrying out its activities and in relation to its stakeholders in the environment in which it operates: (employees, customers, suppliers and other commercial partners) under the UN motto: "protect, respect and remedy".

The members of the Sustainability Committee, the body responsible for

approving the policy and monitoring the degree of compliance with the principles included in it, have received training in the application of human rights in business activities.

In line with these principles, in its financial and investment analyses the Bank has assumed the obligation of not financing any transactions that may result in violations of human rights. It has also established sector policies for industries such as defence, mining and farming that include criteria related to human, social and environmental rights, again covering the elimination of discrimination in respect of employment and occupation, the elimination of all forms of forced and compulsory labour, and the effective abolition of child labour. In 2020, 4% (14% in 2019) of transactions subject to sectoral policies with ESG criteria were rejected for failing to meet these non-financial criteria.

Bankinter is committed to evaluating the human rights policies and practices of its counterparties and to acting in accordance with the principles established in its Policy in the due diligence processes carried out prior to entering into financing agreements or any other type of contract, and within the framework of the Equator Principles and its environmental and social risk management policies.

The Bank has identified and assessed the risks associated with its activity in relation to compliance with the two Human Rights principles in the Global Compact: "Businesses should support and respect the protection of internationally proclaimed human rights" and "Businesses should make sure that they are not complicit in human rights abuses."

This exercise was performed considering the Bank's relationships with its stakeholders (employees, customers, differentiating between individuals and companies, providers of products and services, potential customers and the environment). The areas directly involved in its management were involved in this identification and assessment of the potential risks of the Bank's activities, assessing both their probability and impact, without considering the controls already in place in the organisation. Based on the controls identified, a second assessment is performed, considering these controls, to obtain the residual risk. The risks are then categorised into three levels - high, medium and low - based on a scale of values.

A group of KPIs has also been identified to monitor the performance of the controls for each risk. This monitoring will be an additional agenda item for all of the Bank's Sustainability Committees.

This assessment of human rights risks has enabled the entity to identify the significant aspects involved in the potential risk of breaches of human rights. This map shows that operating in Spain, Portugal and Luxembourg reduces the risks of direct impacts on the Bank's activity in this area. However, the main risks in the Bank's investment and financing operations are identified through its own activity. The Bank establishes and applies controls to minimise residual risk in such operations.

No significant risks to human rights were identified as a result of this assessment. However, the Bank will continue to strengthen its controls to minimise residual risk, as a continuous improvement activity. For example: Expansion of the scope of its certified systems, setting additional objectives for the commercial area beyond the purely business or financial (e.g. NPS), improving accessibility at ATMs and operating websites, conducting code of conduct compliance audits on suppliers identified as critical, enhancing audits of supplier invoices, and internal analysis of the organisation's disputes based on public sources.

The Bank has launched a course on the United Nations Guiding Principles on Business and Human Rights for all employees. It will make a training pill on risk management associated with compliance with human rights available to its suppliers.



In 2020, a Human Rights Policy was approved for Línea Directa Aseguradora and its subsidiaries, to provide a guide for the protection and respect of human rights, establishing principles and guidelines for action to identify, prevent, mitigate and repair any negative impacts.

Línea Directa's Code of Ethics governs a series of principles based on respect for human rights and public freedoms.

The Línea Directa code of ethics is the core standard on which the rest of the policies developed are based, which must therefore be consistent with the code. In the section of the code that deals with human rights and public freedoms, Línea Directa undertakes to respect and protect the human rights and public freedoms recognised in the Universal Declaration of Human Rights and in the main international agreements in this regard, ensuring that the principles included in these agreements are present in all its policies.

Both Bankinter and Línea Directa have codes of ethics for their suppliers, which include sections on respecting human rights and labour legislation.

EVO is subject to the principles, rights and obligations in the Bankinter and Avantcard Code of Ethics. It also has policies for risks and conflicts of interest, which are similar to a code of ethics, and which include aspects related to the protection of human rights.

The annual training plans of all Group companies include training pills on the code of ethics and compliance policies that contain aspects related to human rights.


All the Group companies have a whistleblowing channel to report any breaches of the code of ethics. This channel can be freely accessed by all employees and is confidential. No reports with regard to violations of human rights were received in 2020.

There were no cases of discrimination in the area of human rights in 2020.

Bankinter Group complies strictly with the provisions of the core conventions of the International Labour Organization (ILO) with regard to respecting freedom of association and the right to collective bargaining, as well as with the Spanish Constitution, the Organic Law on the Freedom to form a Trade Union, the Workers' Statute and the collective bargaining agreement applicable in this regard.

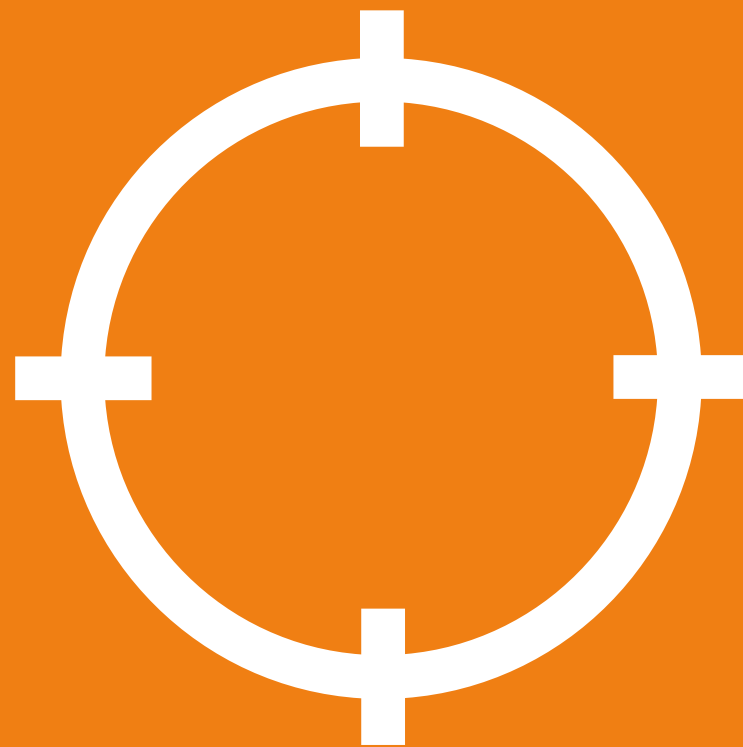
Both Bankinter and Línea Directa have signed the Diversity Charter, a project promoted by the European Commission through the Diversity Foundation as part of the EU anti-discrimination directives.

The employees of the security companies that work at Bankinter Group centres have to be accredited to practise this profession, which guarantees the training, requirements, quality and hiring practices for these professionals and services. Required courses include deontology and fundamental rights.



The annual training plans of all group companies include training pills on the code of ethics and compliance policies that contain aspects related to human rights.

**Fight against
corruption and
bribery**



2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT

The purpose of the Compliance function is to assess and provide guidelines for the lines of business that help define the strategy, ensuring compliance with applicable legislation at all times.

Fight against corruption and bribery

Developing best practices in regulatory compliance

The Bank must achieve its business objectives while complying not only with regulations, but also the best practices and standards required of its operations. This issue therefore represents not only a legal obligation for Bankinter, but also an ethical commitment.

This commitment also serves as an opportunity to reflect for Bankinter to become a leading institution adapted to the new reality of the finance industry, which is subject to the need to change relationships with customers and adjust the Bank's business model in line with new financial consumption habits and multiple reporting requirements.

The growing importance of regulatory compliance has been underlined by the entry into force, as a result of the economic and financial crisis, of several highly complex regulations and the launch of the new supervisory architecture, obliging the Bank to strengthen its available resources.

The purpose of the compliance function is to assess and provide guidelines for the lines of business that help define its strategy, ensuring compliance with applicable legislation at all times. With this in mind, all areas of the compliance function spare no efforts in enhancing the training activities of its commercial staff.

Institutional framework

Bankinter's Regulatory Compliance function is subject to an internal institutional framework. The head of Regulatory Compliance, Regulation and Corporate Governance reports hierarchically to the Audit and Regulatory Compliance Committee under Bankinter's Board of Directors and functionally reports to the Bank's Office of the General Secretary, through which it forms part of the organisation as a whole, ensuring close cooperation with the other areas of senior management, particularly Risk and Legal Counsel in all areas for which they are responsible.

This organisational structure enables the Bank to adequately manage the risk of failing to comply with regulations, which also entails significant reputational risk, with a potentially adverse impact on relations with customers, markets, employees and the authorities. In particular, failure to comply with regulations may lead to sanctions, damages or cancellation of contracts, harming the Bank's image.

In particular, it serves on the following bodies of the Bank:

- **The Regulatory Compliance Committee.** This is the senior management body that monitors the Bank's compliance policies according to the charter of the Regulatory Compliance function. The committee executes the policies in relation to the regulatory and regulatory compliance matters established by the Audit and Regulatory Compliance Committee of the Board of Directors.
- **The Products and Operational Risk Committee.** This committee approves the launch, modification and cancellation of products and services offered to customers. It is the body to which information on the entity's operating and operational risk is reported. The main development in 2020, in line with the recommendations of the Basel Committee, was the extension of the objective scope of action of the Products Committee. This involved incorporating, together with reporting on product governance, information on the entity's operating and operational risk, with the committee thus becoming the Products and Operational Risk Committee. The consolidation process for the governance of products and services also continued, incorporating aspects such as the definition of new developments and significant changes in products into the internal rules and regulations. The review of new products and services, in addition to the current portfolio of products and services offered to customers, continued, ensuring that the target audience at which they are directed is appropriate and that the services and products offer sufficient guarantees of quality and control.
- **The internal control body.** This body is responsible for approval of and compliance with anti-money laundering and terrorist financing policies and procedures, in accordance with Law 10/2010 and its regulatory implementation.

Regulatory map

Bankinter Group has assigned the competencies of identifying and reporting regulatory changes to the Regulation area, which reports to the Regulatory Compliance, Regulation and Corporate Governance Division. The Regulation area, therefore, facilitates early detection of the potential impacts of regulatory changes, reducing their risks. Every year it prepares a three-year regulatory map that serves as the basis for the regulatory strategy. The management of regulatory change was carried out transversally throughout the year, participating in various projects that required the adaptation of Group activities or processes. These included the regulations deriving from the European Union's legislative package on Sustainable Finance, the revised Good Governance Code of Listed Companies, regulations on insurance distribution, Banco de España and CNMV Circulars on the advertising of banking services and investment products and services, respectively, the EU Regulation on indices used as benchmarks, EMIR Refit, and the implications of the United Kingdom's withdrawal from the European Union.

Because of its particular importance, the implications of the United Kingdom's withdrawal from the European Union and the end of the transition period turned out to be a priority. Both the Regulatory Compliance and Regulation areas advised the Group on the adaptation work and analysis and decisions to mitigate the impact of this development.

The entry into force of the national regulations derived from the transposition of the Insurance Distribution Directive required a transformation of processes and technologies to the benefit of customer protection.

Another significant regulatory change derived from the regulation on indices used as benchmarks, with the Regulation area being involved in the consequent adaptation, with a particular focus on the ending of LIBOR in the various currencies.

Regulatory Compliance also took part in the project to adapt to the new regulations, still partly pending, included in the legislative package of the European Commission's Sustainable Finance Action Plan, which aims to strengthen the role of finance in building an economy that allows the European Union's environmental and social objectives to be achieved.

One of the most important aspects of the year was the health crisis caused by the COVID-19 pandemic and the resulting state of emergency.

This led to the approval and publication of regulations containing the economic measures needed to handle the economic impact of the crisis. This meant products and processes had to be developed in a short period of time, with the immediate and necessary controls to ensure that the measures approved were being implemented.

All of the Regulatory Compliance areas participated actively in this process, analysing the regulation to make it easier to implement in the entity and performing a range of actions, including the creation of specific products and processes consistent with the economic measures and the review of some of these as part of the second line of defence activities.

The regulation area facilitates early detection of possible impacts of regulatory changes, reducing their risks.



Two main areas

Under this regulatory and institutional framework, the Bank developed the main areas of the Compliance function in 2020:

- **Control and advice on regulatory compliance in relation to banking transparency and investment products and services:** Bankinter has implemented a methodology based on the risk approach that enables the risk of default in each area of activity to be assessed in relation to the provision of investment and banking services.
- **Anti-money laundering and counter terrorist financing.** 2020 featured reinforcement of control frameworks in terms of both KYC (know your customer) and controls applying to international financial sanctions and correspondent banking, as well as those associated with due diligence and customer operations.

The Money Laundering Prevention area, which is part of the Regulatory Compliance, Regulation and Corporate Governance Unit, is responsible for ensuring compliance with the Entity's policies and procedures for preventing money laundering and terrorist financing. Its aim is to guarantee adequate coverage of the risks arising from money laundering and terrorist financing, complying with all related legislation.

Preventing these practices is a strategic objective for Bankinter Group and an ethical commitment to society at large, in compliance with international standards and the best practices in this area. In line

with this objective, in 2020 Bankinter and its subsidiaries continued to develop the control measures needed to comply with the regulations. It also developed the AML/CTF risk appetite framework and map aligned with the Bank's framework and the IT tools for this function.

The current state of affairs caused by COVID has led to the approval and publication of reports and guides to identify risks and changes in customer behaviour and criminal activity involving money laundering and terrorism financing (such as the counterfeiting of pharmaceutical and medical products, cybercrime, investment fraud, etc.) as a result of the pandemic, in addition to assessing its impact on the fight against AML/CTF offences and the measures implemented.

The second-line of defence control activities were reviewed for some processes.

Work also continued on the action plan approved for the year to comply with the recommendations of the external expert and the supervisory authority on this area.

During 2020, 5,204 Bankinter Group employees (5,836 in 2019) received a total of 4,544 hours (5,049 in 2019) of AML training.

Since 2019 the Regulatory Compliance, Regulation and Corporate Governance area has become established in Bankinter Group following the implementation of a common compliance culture and methodology

across all Group companies for regulatory compliance, regulatory risk management, product governance and anti-money laundering.

Línea Directa and its subsidiaries are not subject to article 2 of Law 10/2010, of 28 April, on anti-money laundering and counter financing of terrorism. Therefore, it does not have a specific AML/CTF policy. However, it does have a Regulatory Compliance function that manages control and advises management on regulatory compliance regarding the sale of insurance products and the management of legal risks.

It also has a Product Governance Policy, which ensures that all products marketed by Línea Directa meet the needs of their recipients, in order to avoid the risks of non-compliance with consumer protection regulations.

The prevention of these activities is a strategic objective and an ethical commitment to the whole of society

In the case of EVO, the Regulatory Compliance unit reports functionally to Bankinter's Directorate of Regulatory Compliance, Regulation and Corporate Governance. It has established the following structure to prevent money laundering:

- An anti-money laundering and counter terrorist financing committee. The committee defines the AML/CTF policies and standards applicable to EVO, based on the risk associated with the nature of its business. It is made up of the first line of defence of the company's main management areas and chaired by Bankinter Group's Office of the General Secretary.
- The Standing Committee of the AML Committee has been delegated authority to adopt urgent decision within the scope of the powers of the AML Committee that need to be taken between meetings, with its decisions being ratified at the next meeting of the AML Committee.
- A Technical Anti-Money Laundering Unit, which reports functionally and hierarchically to the director of EVO Banco and is supervised by Bankinter Group's Anti-Money Laundering Department to ensure that all policies and procedures in this area are applied across all Group companies, irrespective of the functions and responsibilities assigned to each business group.

- A representative before SEPBLAC, appointed by the Board of Directors on the basis of a positive opinion about their suitability issued by the Appointments and Remuneration Committee, and a person authorised by the representative before SEPBLAC.

The ALM unit forms part of the regulatory compliance function. Its main purpose is to define and oversee business processes and ensure compliance with the anti-money laundering and counter-terrorist financing policy.

Avantcard has a robust regulatory compliance and prevention of money laundering and terrorist financing structure, to counteract any breaches through a wide range of internal policies. The ALM unit forms part of the regulatory compliance function. Its main purpose is to define and oversee business processes and ensure compliance with the anti-money laundering and counter-terrorist financing policy.

Outlook

The main focus of attention in 2021 will be the Sustainable Finance legislative package, with the level 2 regulatory developments expected to see the light of day. Bankinter Group is committed to and supports this legislative package, which will strengthen Europe's resilience.

We will also see flexibility in some aspects of the Markets in Financial Instruments Directive, resulting from its modification as a result of the Quick Fix in response to the COVID-19 pandemic.

The ending of LIBOR at the end of 2021 will also require special attention. This year will also see completion of the Bank's adaptation to the regulations on advertising for banking services and products. The company must also adapt to the regulatory framework deriving from the transposition of Directive 2017/828, as regards the encouragement of long-term shareholder engagement, and Directive 2015/849 on the prevention of the use of the financial system for money laundering and terrorist financing. Management of the coordinated control of the second lines of defence will also be developed and the design of a definitive model will be completed. This will allow the integration of a process for updating the due diligence on customers at all risk levels, according to the schedule established for this.

Other regulatory requirements planned for 2021 include the ESMA guidelines on the requirements of the regulatory compliance function under MiFID II, as a crucial unit for the identification, evaluation, supervision and reporting of entities' compliance risk. This function is strengthened under MiFID II, as this reduces compliance risk while making it easier for the competent authorities to exercise their powers in an effective way. The position of this function in the entities will be reinforced by the clear establishment of its control, analysis and advisory powers, the requirements of the organisational structure, and by its competences, knowledge, skills and authority.

The inclusion by the EBA of money laundering risk in the SREP guidelines at the end of 2021 will also be significant. This was anticipated in the expectations addressed to prudential supervisors at the end of 2020, encouraging them to use key monitoring indicators obtained from the information disclosed by entities for prudential reasons, and to review and consider potential indicators of weaknesses in the prevention of money laundering due to weaknesses or operational, credit, financing or liquidity risks.

Internal audit control

The Internal Audit Department runs corruption risk and anti-money laundering controls.

All Bankinter centres in Spain were assessed in 2020 through its automatic auditing programmes. Internal Audit audited and reviewed control procedures at eight business units attached to the branch network in Spain, equivalent to 1.75% of the total (2.2% in 2019).

In Portugal, it performed on-site audits and control procedures at 15 centres in the branch network (23 in 2019), representing 17.2% of the total (26.1% in 2019).

It also analysed 100% of the agencies via automatic audits.

The whistleblowing channel received six confidential reports (ten in 2019). These have been processed by the responsible departments.

Professional ethics

Over the years Bankinter has demonstrated its zero-tolerance for crime, having adopted all measures necessary to convey this commitment and the obligation to prevent, detect and persecute crime in all its forms and to the full extent at all levels of the Bank's structure.

On 21 October 2015, the Board of Directors of Bankinter, S.A., in accordance with the reform of the Criminal Code approved by Organic Law 1/2015, of 30 March, which entered into force on 1 July 2015, approved the creation of the Crime Prevention and Professional Ethics Committee, which is responsible for overseeing the functioning and compliance

of the criminal risk prevention model and has autonomous powers of initiative and control.

The Rules and Regulations developing the powers and functions of the committee have been updated in relation to the criminal compliance systems in Bankinter Consumer Finance, Luxembourg and EVO, to ensure harmonisation and integration with the Bank's system. These Rules and Regulations have been presented to the Audit and Regulatory Compliance Committee and approved by the Board of Directors.

The chairman of the Crime Prevention and Professional Ethics Committee reports annually and directly to the Audit and Regulatory Compliance Committee, informing the Board of Directors.

The report on the general criminal compliance model was completed in 2020, with procedural effects and certification by an external expert implemented in Bankinter. The report concludes that compliance with the requirements established in the current Criminal Code is excellent, as the model: adequately identifies the risks of criminal liability; has the necessary tools; has a complete internal control structure, has the necessary resources, considers ongoing employee training; and is subject to continuous review and improvement.



The Audit and Regulatory Compliance Committee and the Board of Directors have approved Bankinter Group's Anti-Corruption Policy. The objective of this policy is to broadcast a message of uncompromising opposition to corruption, establishing the rules and principles of action needed to prevent and act against any conduct involving corruption in the Group's activity.

In addition to the mandatory Circulars and Policies that have to be complied with, Bankinter currently also has:

- Code of Professional Ethics for Bankinter Group employees, available to all employees through the intranet.
- Code of Professional Ethics for agents, available to agents through the agents' extranet.
- Code of Professional Ethics for suppliers, available to suppliers through the suppliers' portal.

The Bankinter whistleblowing channel is accessible to employees through the intranet, to agents through the agents' extranet and to suppliers through the suppliers' portal.

In 2020, a total of 25 disciplinary cases related to breaches of the Code of Professional Ethics were processed by Bankinter's Crime Prevention and Professional Ethics Committee (33 in 2019). Of these, 9 were in Spain (24 in 2019); 8 were in Portugal (7 in 2019) and 8 involved agents (2 in 2019).

In the case of Bank employees, two cases in Spain and one in Portugal resulted in dismissals, with four contract terminations for agents.

In general, the unacceptable behaviour identified derived from breaches of the entity's internal rules and regulations regarding processes and operations.

Línea Directa has a general criminal compliance model applicable to all entities in the Línea Directa Group. It also has a specific model detailing the controls identified and implemented by Línea Directa Aseguradora for each potential crime.

Línea Directa has the following policies and procedures:

- **Supplier selection policy:** establishes the general operating principles for relations between LDA employees and the company's suppliers.
- **Procurement Policy:** defines every stage in the procurement procedure.
- The **LDA Group Crime Prevention Manual** specifies that all award processes must be approved by Procurement and the requesting area, with the following requirements: (i) technical and financial analysis of the bids submitted by the suppliers; (ii) confidential treatment of the bids received; (iii) direct contracting processes must be in accordance with an established procedure and must be justified, and (iv) all awards require a minimum of three proposals from different suppliers.
- **Internal procedure for contract requests and signature:** regulates the procurement function for third-party services through general procurement conditions and the LDA Group procurement portal.
- **The code of conduct for suppliers** is being incorporated into all new commercial contracts and renewals. It is also incorporated into the terms and conditions issued by Procurement.

The Code of Ethics applies to all employees of Línea Directa and its subsidiaries and includes a section on measures to fight bribery and corruption. This section includes a prohibition on making and receiving cash payments.

Línea Directa has designated an Ethics Officer to receive and handle questions about the application of the Code of Ethics, and to receive, analyse and resolve reports about possible breaches. The Ethics Officer will maintain the confidentiality of the information received and will be responsible for consolidating, developing and continuously improving management of the Code of Ethics at Línea Directa, including developing its functions with support from the Chairman and the Board of Directors.

Línea Directa's Code of Ethics includes a system for receiving and handling possible breaches and reports about the code. Anyone can report suspected breaches of the code, which will be handled with complete confidentiality. During 2020, the query and complaint management procedure was updated and a tool was implemented that

automates some parts of the communication management process, obtaining a complete record of the complaint life cycle, with time stamps and records of roles. It enables the anonymisation of the process, enhances control of the people who can access the information and generates annual reports.

Avantcard does not have a code of ethics as such. However, matters related to the ethical conduct of employees are included in its conflicts of interest policy and the framework conduct risk agreement.

Matters related to ethical behaviour are also discussed at the quarterly risk committees and at board meetings. No breaches were detected in 2020.

With regard to staff training, courses on criminal compliance and ethical codes were held in all Group companies in 2020.

Contributions to foundations and NGOs

Bankinter Group awards most of its welfare projects funding to two Group foundations: Fundación Innovación Bankinter, with entrepreneurship programmes, an innovation think-tank and training programmes; and Fundación Línea Directa, which focuses on road safety.

Bankinter Group also enters into strategic alliances with the third sector in the communities where it operates, working with them to identify and respond to local needs.

To make its social management more effective, the Bank has adopted the methodology developed by Corporate Citizenship Limited and the London Benchmarking Group (LBG) for measuring, managing, assessing and communicating the contributions, achievements and impacts of the Bank's social action on the community and the environment. Under this methodology, Bankinter Group's total contribution to foundations and NGOs was 3.7 million euros (3.6 million euros in 2019).

Contributions in 2020

€3.7 mn

Society



**2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT**

Bankinter has identified the Sustainable Development Goals to which it can make the greatest contribution.

Commitments to sustainable development

Generation of sustained value over time

In carrying out their operations, Bankinter Group companies endeavour to deliver on their objectives to benefit shareholders and to generate sustained value over time for their stakeholders (e.g. customers, employees and suppliers), giving rise to opportunities and investing in local communities, while ensuring prosperous development in the geographical areas in which the Bank operates.

Information on the Group's social impact includes indicators such as Bankinter Group's net employment, which at the close of 2020 was 8,668 jobs (8,531 in 2019).


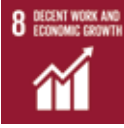

In addition to the social impact of direct employment, the Group spent over 383.1 million euros (319.4 million euros in 2019) on purchases of goods and services from suppliers, which can be used to estimate the indirect employment generated.



Sustainable Development Goals

As a member of the United Nations Global Compact Network Spain, Bankinter has identified the Sustainable Development Goals to which it can make the greatest contribution, and has incorporated goals into its strategy that are related to certain primary SDGs: Quality education (SDG 4); Creation of employment and economic growth (SDG 8), Reduced inequalities (SDG 10), Climate action (SDG 13) and Strategic alliances (SDG 17). The new 2021-2023 Sustainability Plan also adds Affordable and clean energy (SDG 7), Industry, innovation and infrastructure (SDG 9), Sustainable cities and communities (SDG 11) and Responsible consumption and production (SDG 12).

Línea Directa has incorporated a commitment to the United Nations global development strategy, as represented by the SDGs and the 2030 Agenda, into the definition of its new Sustainability Plan. It links to 8 of the 17 SDGs: Good health and well-being (SDG 3), Gender equality (SDG 5), Decent work and economic growth (SDG 8), Industry, innovation and infrastructure (SDG 9), Reduced inequalities (SDG 10), Climate action (SDG 13), Peace, justice and strong institutions (SDG 16) and Partnerships for the goals (SDG 17).

The initiatives developed within the framework of Bankinter's 2016-20 Sustainability Plan are described below, together with the future challenges (which have been incorporated into the new 2021-2023 Plan)

Goal	Targets set	Initiatives developed in Bankinter	Challenges set in Bankinter
	<ul style="list-style-type: none"> By 2030, remove all gender inequalities in education and ensure safe access to all levels of education and professional training for vulnerable individuals, including people with disabilities, indigenous people and children in situations of vulnerability By 2030, ensure that all students acquire the theoretical and practical knowledge required to promote sustainable development, in addition to other aspects, through education on sustainable development and sustainable lifestyles, human rights, gender equality, promoting a peaceful and non-violent culture, world citizenry and appreciation of cultural diversity and the contribution of culture to sustainable development Build and adapt educational establishments based on the needs of disabled children and adults and gender differences, offering safe, non-violent, inclusive learning spaces that are effective for everybody By 2030, considerably increase the number of qualified teachers, including by means of international cooperation to train teachers in developing countries, in particular in less developed countries and small developing island states 	<ol style="list-style-type: none"> Online workforce training on financial education. Classroom-based financial education volunteering programme for different groups: <ul style="list-style-type: none"> Primary and secondary school students. Groups at risk of social exclusion. People with a disability. Provide online financial education platforms for secondary school, baccalaureate and university students. Training programme to facilitate social and employment inclusion for women who are victims of violence and other vulnerable groups. Corporate University certified for physical accessibility to enable training for individuals with disabilities on equal terms. Technical volunteering programmes for senior management in developing countries. Online training for employees in assisting people with disabilities. 	<ol style="list-style-type: none"> Development of the financial education volunteering programme. Equality and diversity training for employees. Employee training on the Guiding Principles of Human Rights in the business environment. Classroom training for employees on assisting people with disabilities. Dissemination of the on-line platform for financial education: Money Town and Game of Traders.
	<ul style="list-style-type: none"> Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services. Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment. 	<ol style="list-style-type: none"> Initiatives related to the business. <ul style="list-style-type: none"> Sustainable lending and financing policy. Promotion of sustainable products. Training and awareness aimed at promoting entrepreneurship. <ul style="list-style-type: none"> Bankinter Innovation Foundation initiatives. <ul style="list-style-type: none"> Entrepreneurs programme. Akademia programme. FTF programme. Cre100do Foundation programmes. Initiatives related to people management. <ul style="list-style-type: none"> Family-responsible company certificate. Bankinter, here to help programme. Programmes to develop human capital. Programmes to attract and retain talent. Certified physical accessibility of working environments. 	<ol style="list-style-type: none"> Establishment of new financing policies for activities and assets with high social or environmental impact. Staff training in the Risk and Asset Management areas in the application of ESG criteria. Expansion of the range of sustainable products. Development of monitoring methodology and control of the Human Rights policy. Development of the Bankinter, here to help programme. Development of Foundation programmes. Extension of the scope of the universal accessibility management system to new work centres.
	<ul style="list-style-type: none"> Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. 	<ol style="list-style-type: none"> Preparation of the Human Rights Policy impact map. Initiatives related to financial and social inclusion. Implementation of physical accessibility Digital accessibility. Cognitive accessibility. Training and awareness of the workforce aimed at financial integration. Development of charity products. Financial education and education for entrepreneurship (technical volunteering). Social volunteering. Social action and citizenship. Family responsible company. Equality plans. Definition of a diversity policy. Whistleblowing channel. 	<ol style="list-style-type: none"> Training and awareness plan for a diverse culture. Extension of the certification scope of the universal accessibility management system to new work places. Development of products with a high social impact. Extension of the scope of EFR certification. Development of Foundation programmes: Akademia, FTF Development of financial education programmes adapted to various groups.

Purpose	Targets	Initiatives undertaken	Challenges
	<ul style="list-style-type: none"> ▪ Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. ▪ Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning. 	<ol style="list-style-type: none"> 1. Issuance of green bonds. 2. Sustainable lending and financing policy. 3. Inclusion of environmental criteria in procurement policy. 4. Support for employees, customers and suppliers to implement eco-efficiency measures 5. Design and launch of new sustainable products. 6. Green line of credit. 7. Management initiatives related to the Bank's environmental impact. 8. Carbon neutrality in operating activity. 9. Purchasing energy from renewable sources. 10. Eco-efficiency programmes in the organisation. 11. Actions with environmental and social impact. 12. Disclosure of sustainable performance information. 13. Training and awareness workshops on environmental performance. 14. Implementation of stakeholder communication channel on environmental matters. 15. Environmental mailbox. 	<ol style="list-style-type: none"> 1. Launch of new products: green mortgage. 2. Development of Foundation programmes: FTF 3. Identification of the impact of lending and financing operations on natural capital. 4. Identification of the CO2 load of investment and financing portfolios. Customer involvement in reductions. 5. Training employees in sustainability advice. 6. Awareness-raising and communication campaign on climate change for stakeholders. 7. Alignment of reduction targets with the SBTi initiative.
	<ul style="list-style-type: none"> ▪ Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships and strategies for obtaining resources from alliances. ▪ Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries. ▪ Enhance global macroeconomic stability, including through coordination and policy consistency. ▪ Enhance policy consistency for sustainable development. ▪ Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development. ▪ By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries. ▪ Promote adherence to international initiatives related to sustainable finances and climate risk management. ▪ Promotion of sector actions on sustainable development. 	<p>Initiatives undertaken:</p> <ol style="list-style-type: none"> 1. UNEP FI 2. Responsible Banking Principles 3. Equator Principles. 4. United Nations Global Compact 5. Climate Change Cluster. 6. Transparency and Corporate Governance Cluster. 7. Social Impact Cluster. 8. LBG. 9. Forética. 10. The Diversity Charter. 11. Sponsorship of events with other public and private companies to support environmental and social ventures that support the development of new companies, technologies and projects. 12. Green weekends. 13. Circular weekends. 14. Social Entrepreneurship Awards from the Más Humano Network 15. Involvement in preparing the Natural Capital Protocol guide for the financial sector 16. Work groups as part of the Task Force on Climate-related Financial Disclosures. 	<ol style="list-style-type: none"> 1. Adherence to the United Nations PRI (Principles of Responsible Investment). 2. Identification and management of new alliances

Sustainable investment and financing practices

Bankinter has defined Investment Sustainability Principles, as part of its Risk Management and Control Framework. It has established financial guidelines for industries with potentially greater impact on the environment that allow it to develop measures and references that the Bank must follow in its decision-making process, considering the best practices and international standards.

In line with this strategy, the Bank has adhered to the Equator Principles, a leading international initiative for responsible investment in the financial sector with the objective of evaluating and managing the environmental and social risks of the projects to be financed. In 2020, 16 projects to which these principles apply were financed (16 in 2019), all in Spain and Portugal, and all involving the renewable energy sector. Of these, 14 were graded B (13 in 2019) and three were graded C (2 in 2019). Investment amounted to 340.5 million euros (261.6 million euros in 2019).

Bankinter undertakes to evaluate the practices in environmental, social and human rights issues, and to act according to the principles established in its policies, in the due diligence processes carried out before entering into financing agreements or any other type of contract and within the framework of the Equator Principles and the environmental and social risk management policies.

In particular, this involves the promotion of sustainable, competitive and safe energy sources. Over the course of 2020, the Bank took part in various renewable energy projects (photovoltaic and wind energy, among others).

The bank has also signed up to the United Nations Environment Program financial initiative (UNEP FI) and has signed the Principles of Responsible Banking. This involves a commitment to align its business strategy with the Sustainable Development Goals and the Paris Agreement.

Over the course of 2020, the Bank took part in various renewable energy projects (photovoltaic and wind energy, among others).



Sustainable products

The main Bankinter products that incorporate sustainability attributes in their design are as follows:

Bankinter Sustainability Fund. This fund invests in equities in the main social and environmental responsibility indexes. At the end of 2020, it had assets of more than 54 million euros and returns of 1.48%.

Energy Efficiency and Environment Fund. This fund invests in equities of companies involved in improving the efficiency of energy use and transport, the storage of electricity, automation and the improvement of industrial productivity, reduction of the environmental impact of using fossil fuels and renewable energies. At the end of 2020, it had assets of more than 18 million euros and returns of 20.94%.

Responsible investment funds. The Bank makes more than 1,100 internationally prestigious funds that invest with responsible criteria available to its customers, with assets of more than 2.9 billion euros. They invest in companies dedicated to renewable energies, innovation and technology, and reducing the impact of climate change, or that are included in the main sustainability indexes.

Green bonds. Bankinter coordinated the first green bond programme on the alternative fixed income market (MARF), registered by the company Grenergy Renovables with a value of 50 million euros. It has also published a Framework Agreement for green bonds, which is accredited by Sustainalytics (second-party opinion company). The first issuance of these green bonds took place in January 2020 for the amount of 750 million euros.

Investment in venture capital firms and companies that invest in sustainable products. The fund held 4.3% and 4.6% interests, respectively, in Ysios Biofund I and II (biotechnology and life sciences), 10% in Going Green (electric automotion) and 2.5% in CPE Private Equity LP (clean technologies).

Helia Renovables. In 2017, the Bank entered into a partnership with Plenium Partners to create Helia Renovables, a venture capital fund to invest in renewable energy. Four funds have been created with total investment (debt plus equity) of more than 2.0 billion euros in renewable energy.

Other alternative venture capital funds. The Titan fund was launched at the end of 2019 with capital of 253.3 million euros. It invests in infrastructure (such as renewable energy, transport and social infrastructure). The VStudent fund focuses on student accommodation and was launched with committed capital of 153.4 million euros.

Pension fund managed with sustainability criteria. This is a mixed equity plan that will invest between 50% and 75% of its assets in the equities of companies around the world that meet environmental, social and good corporate governance standards. It will invest the rest in green bonds issued by private companies and the public debt of OECD countries. It was created at the end of 2020 and had net assets of 4.9 million euros at the end of the year.

Green/sustainable loans. Green loans and loans with clauses linked to sustainability criteria were arranged with a value of 303 million euros in 2020.

InnovFin agreement. The Bank continues to support the InnovFin2014 programme, under the framework of Horizon 2020. Its aim is to support the financing of Spanish companies with fewer than 500 workers that conduct research and innovation activities and projects. Bankinter has signed an agreement with the European Investment Bank to provide 400 million euros to SMEs and mid-caps to finance their investments in Spain and Portugal.

Hal-Cash. This system facilitates access to financial services for groups that do not have bank accounts. It enables customers to send money to any person's mobile phone so that they can withdraw it from an ATM without using a credit card. Orders with a total value of 47.5 million euros were issued through this system in 2020.

As part of its commitment to the environment and the reduction of CO₂ emissions, Línea Directa has created a specific insurance policy for electric cars. Called the **Breathe Policy**, this product rewards drivers who buy these zero-direct-emissions vehicles with a fully comprehensive policy (300 euro waiver) at a reduced price the first year. It is specially adapted to this type of vehicle through the inclusion of coverage for theft of the charging cable.

It has also insured the Acciona and IoScout fleets of electric motorbikes. Línea Directa is involved in the business decisions to support new types of fleets which, in view of their characteristics, represent the inclusion and underwriting of the risk associated with the emerging forms of sustainable mobility.

This support is coupled with other business measures, such as providing motorbike customers with courtesy electric bikes free of charge while their own bike is being repaired, thanks to a partnership agreement with the rental company Cooltra, which currently has one of the largest fleets of electric motorbikes.

Avantcard has partnered with An Post Money to launch a new green loan product. These loans are for energy refurbishment of residential homes across Ireland, to install energy efficiency measures and small-scale renewable energy installations, generating positive environmental impacts and extending the life of the buildings.



Social action

Social action forms part of the Group's commitment to the local communities where it has operations, entailing either direct actions or collaboration with organisations that work on developing social and environmental projects.

Bankinter sponsors Bankinter Innovation Foundation, an organisation whose mission is to drive sustainable wealth creation in Spain and Portugal through innovation and entrepreneurship. To deliver this mission, the Foundation carries out its activities through the following programmes:



- The Future Trends Forum (FTF) is the only multidisciplinary and international think tank focused on innovation. Comprising 664 experts, the FTF anticipates and detects innovation trends, analysing their impact on society and future business models. It has been recognised for the ninth year running as the best think tank specialised in science and technology in Spain and ranks 31st in the University of Pennsylvania's Global Go To Think Tank index. During 2020, the FTF team demonstrated astonishing flexibility and speed in designing and delivering a new virtual FTF experience in response to the pandemic. The trends analysed this year were: the food of the future, trust and digital society, neuroscience, innovation and COVID, and artificial intelligence. In total, 20 online events were held on various trends, involving 20,903 people around the world, compared to 925 in 2019.



- This Startups programme supports entrepreneurs as one of the main levers for boosting innovation in Spain. A joint investment programme is being developed between Bankinter Venture Capital and the Bankinter Innovation Foundation, called the Venture Capital Programme. This programme focuses on identifying and investing in high-potential startups with the Bank's funds, through Bankinter Venture Capital. The programme had analysed 3,287 projects by 2020, with an investment rate of 1.25%. In 2020, 464 projects were assessed, with an investment rate of 0.65%. The programme also organises "Coffee with entrepreneurs" to foster entrepreneurship, where leading figures in the Spanish entrepreneurial ecosystem share their experience and the challenges they have faced with the participants. The Programme also created the Startup Observatory in 2020: This initiative offers transparency and visibility of the state of investment in Spain in almost real time, through an interactive tool.



- Akademia is a programme focused on communicating innovation experience to Spanish university students. In the 2019-2020 academic year, the Akademia programme was run at nine Spanish universities: The course was attended by 146 students and it had a recommendation rate of 99%, two percentage points higher than in the previous year.



- Cre100do is a foundation that promotes business excellence by grouping outstanding companies in the Spanish middle market in order to stimulate their growth and cooperation, boosting growth in the Spanish economy and generating a positive impact on society. Cre100do is now a community of 118 companies, with turnover of 16.5 billion euros (equivalent to 1.3% of GDP), which generate 85,000 direct jobs and more than half a million indirect jobs. These are global companies, as 52% of their turnover comes from abroad. They have grown by 10% in the last three years, three times the national average.

Línea Directa Foundation's mission is to build a better and safer society, in which no one loses their life or is seriously injured in traffic accidents. To achieve this, it carries out various initiatives based on four lines of action: Awareness-raising, Research, Training and Social Action. The main objective is to promote responsible driving behaviour with a view to reaching a target of zero road deaths.

As part of its Awareness-raising line of action, it held the 17th Road Safety Journalism Award, which seeks to stimulate and recognise journalistic activity in this area.

Three road safety studies were carried out in the "Research" line of action: "Conventional roads: the black hole of road safety", "Repeat road offenders: a danger to us all. Analysis and changes 2009-2018" and "School transport: are our children travelling safely? Accident rates, regulations and social perception in the COVID era".

In the Training field, the Foundation is committed to road safety education as a tool for promoting good practices that reduce human error in driving, mistakes that are behind 70%-90% of all traffic accidents involving deaths. Within this line of action, the Foundation has various initiatives with the common denominator of improving the road culture in our society.

Finally, in "Social Action" it encourages initiatives to support road safety entrepreneurs. In 2020 it held the sixth Entrepreneurs and Road Safety Prize, which adopts the form of an accelerator and provides start-ups with funds, training and media coverage. The Foundation also organises masterclasses to provide start-ups with training on developing business models and plans, offering advice on how to pitch at investment rounds.

The Foundation also offers the Red Points Platform on its website, a channel through which the general public can report black spots on roads and in cities. The Foundation undertakes to refer these reports to the competent authority for remedial action. It received 32 complaints about black spots during the year.

Through the initiatives in its lines of action, the Foundation aims to become an asset for society in terms of reducing the road accident rate to eventually achieve zero deaths from this cause.

Línea Directa Foundation's mission is to build a better and safer society, in which no one loses their life or is seriously injured in traffic accidents.



Strategic alliances

In the communities in which it operates, Bankinter establishes strategic alliances with voluntary organisations, receiving support from them to identify and respond to local needs.

As a result of this dialogue with the voluntary sector, 164 Initiatives were assessed in 2020, resulting in 31 collaborations with various non-profit organisations.

As a member of the United Nations Global Compact Network Spain, the Bank assumes the commitment to incorporate the ten principles into its business strategy. The Entity is contributing to meeting the sustainable development goals (SDGs), based on the firm belief that they are important for society to evolve towards a model that is fairer and more respectful towards people and the planet.

Bankinter is a partner of the Lealtad Foundation, a non-profit institution whose objective is to provide accreditation for associations and foundations that comply with the nine transparency and good practice principles.

The Bank is also a promoting partner of Forética, a leading association of companies that promotes corporate social responsibility and sustainability in Spain and Latin America.

Bankinter offers products and services for charitable purposes to support the work of voluntary associations. These include the Bankinter Solidarios card (whose fees are donated to social projects within the

framework of the Involvement and Solidarity Programme) and the Bizum Solidario service, to facilitate micro-donations using mobile phones. It also offers charity accounts to NGOs for fundraising, with no fees at the source or destination.

The Bank was involved in organising the fifteenth Mashumano Youth Awards, which recognise entrepreneurs who provide innovative, sustainable and socially responsible solutions. Specifically, Bankinter sponsored the "Best solution for helping to integrate people with disabilities" category.

Bankinter also finances Green and Circular Weekends organised by the Enviroo employment portal. These are events that facilitate meetings among young entrepreneurs involved in green projects.

In 2020, the ninth "Involvement and Solidarity" programme took place, an initiative that finances ten social projects through the fees from the Bankinter Solidarios card. This involves several of the Bank's stakeholders - customers using the Bankinter Solidarios visa card and employees - who this year submitted more than 200 projects.

The Bank believes that improving citizens' financial culture contributes to economic growth and promotes stability and confidence in banks and the financial system in general. In support of this effort, Bankinter participates in various initiatives aimed at improving the public's understanding of financial concepts, products and services.

Bankinter and Línea Directa have signed the 'Integra Commitment', which is implemented

by the Integra Foundation to facilitate the inclusion in the labour market of groups at risk of social exclusion.

Both organisations have signed up to the Young Employment and Entrepreneurship Strategy of the Ministry of Employment and Social Security, for improving the employability of young people.

Línea Directa sponsors the 'There's a way out' race, against gender-based violence, and collaborates with several organisations, such as:

- Randstad Foundation: selects candidates with disabilities who have the professional profiles required by companies.
- Fundación Aprocor: enables young people with intellectual disabilities to obtain professional experience related to the training they receive at the Foundation.
- San Camilo Care Centre: delivers training courses and promotes a humanist culture.

As part of its management of social action, the Group has developed metrics to measure the business and social benefits of its action programs. This is based on the methodology developed by Corporate Citizenship Limited and the London *Benchmarking* Group (LBG) to quantify and categorise social action initiatives according to the type of activity and the resources allocated. This methodology enables the measurement, management, evaluation and reporting of

the contributions, achievements and impacts of the Bank's social action. In 2020, Bankinter Group allocated 3.7 million euros (3.6 million euros in 2019) to social action initiatives, calculated using this methodology.



- Cash 83.1%
- Time 2.1%
- In-kind 4.1%
- Management costs 10.7%

COVID-19 crisis:

Extraordinary management for extraordinary times

In response to the health and social crisis triggered by the COVID-19 pandemic, Bankinter launched a battery of measures to try to mitigate the effects of this crisis on suppliers, private customers, companies, SMEs and the self-employed.

In addition, the accounts disclosure enabled for emergencies was activated.

The Red Cross's emergency appeal in response to the COVID-19 crisis was promoted through the Bank's social networks (LinkedIn, Facebook and Twitter) and Bizum channels.

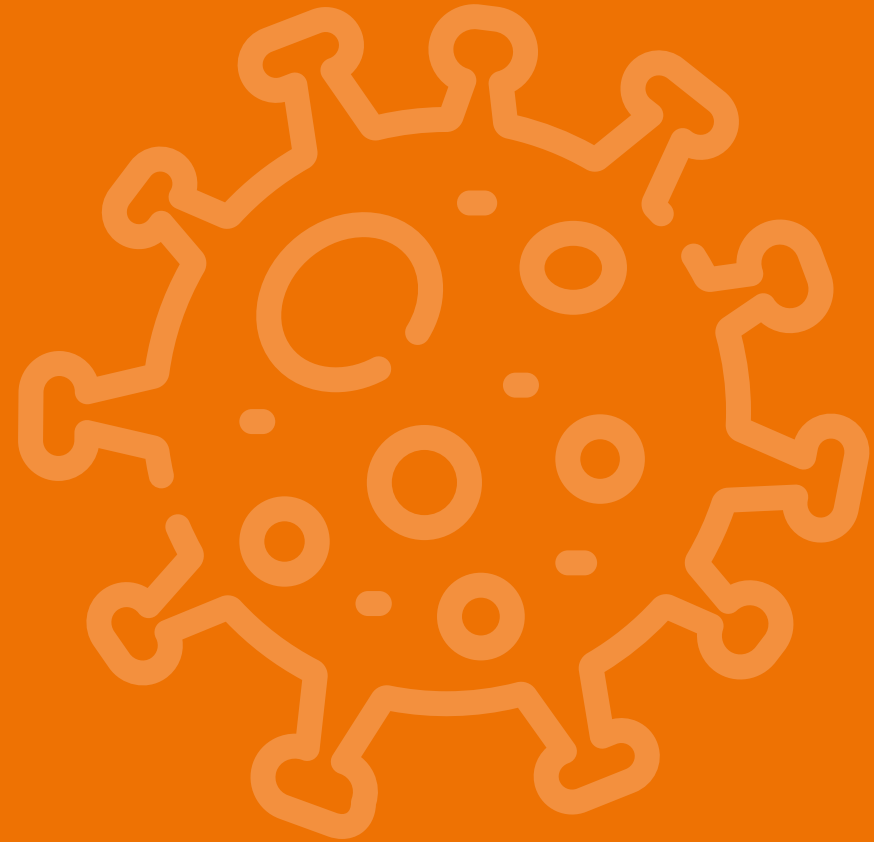
Bankinter also collaborated in the assembly of the emergency hospital set up by Medicos del Mundo at the Gregorio Marañón Hospital in Madrid.

Bankinter collaborated with the ANAR Foundation to reactivate a support chat for children and young people suffering from domestic abuse, a problem aggravated by the lockdown.

A volunteering initiative was launched with the Adecco Foundation offering remote-assistance during the lockdown, to help people with disabilities and mental illness on that Foundation's employment programme.

Línea Directa was involved in the following actions:

- Contribution to the group insurance premium for protection of healthcare workers during the COVID-19 pandemic. A hundred entities contributed a total of 37 million euros to set up this charitable fund.
- Participation in the purchase of robots to perform COVID tests.
- Volunteer support for a patient-care call centre belonging to Catalonia's Generalitat government.
- Loan of vehicles for healthcare workers.



Corporate volunteering

Bankinter has a corporate volunteering portal for its employees called "Mueve.te" (Move!), which seeks to promote the social and environmental engagement and involvement of the workforce, to undertake activities that have a major environmental impact. In addition to the external value it contributes to communities, this programme strengthens the Bank's organisational culture internally and develops new competences, skills and sensitivities in our volunteers.

Due to the restrictions in response to the COVID-19 pandemic, face-to-face volunteering days were replaced, as far as possible, by online activities in 2020. 474 volunteers took part in 84 activities.

Bankinter has continued to promote financial integration through technical volunteering activities and financial training for groups such as secondary school and baccalaureate students, young entrepreneurs and people at risk of social exclusion. These initiatives help to develop specific volunteering skills among employees, such as adapting communications to everybody, regardless of their abilities and knowledge.

The following activities stood out in 2020:

Participation in the sixth 'Your Finances, Your Future' project. This was promoted by the Spanish Banking Association (AEB), in cooperation with the Junior Achievement Foundation. Its mission is to develop the skills and knowledge of secondary school and baccalaureate students on managing their finances.

Workshops for socio-employment inclusion delivered to groups at risk of social exclusion who are beneficiaries of the Integra Foundation.

Sixth Bankinter Solidarity Challenge. A sports and solidarity event promoted among the employees of Bankinter Spain and Portugal. The donations received were passed on to the Spanish Red Cross health programme.

Collaboration with A smile for Christmas, an initiative organised by International Cooperation. This campaign was promoted among the Bank's employees to collect donations of new toys for children of families at risk of social exclusion at Christmas.

Línea Directa's volunteering programme is focused on groups at risk of social exclusion and people with disabilities, with sessions on road safety, safety in the home and labour market inclusion, telephone assistance for the elderly and charity cards. The volunteer network manages company-wide solidarity campaigns (collection of food, toys, school supplies, clothes, donations of IT equipment, etc.). In 2020, 144 volunteers took part in 14 activities.

At EVO the volunteering activities in 2020 focused on support for the integration of people with disabilities. The support delivered was via training and user assistance in partnership with Fundación Alapar, with seven volunteers participating in three sessions.

Avantcard centres its volunteering programme around solidarity events and programmes for students. In 2020 it enlisted the support of 32 volunteers.

Bankinter offers its employees a corporate volunteering portal known as 'Move'.

Bankinter has incorporated social, environmental and human rights criteria into its supplier approval processes.

Subcontracting and suppliers

Improving efficiency in procurement processes

The procurement process at Bankinter has been transformed in recent years as a result of the guidelines and requirements of European regulation and supervision organisations, in particular, the European Central Bank, the European Banking Authority (EBA) and the Single Resolution Board.

Before filing a request with the Procurement Department and launching the request for proposal (RFP), applicants must follow the procedures recommended by Internal Audit, Technological Risks, the Data Protection Office and those included in the Bank's procurement and outsourcing policy. They must also obtain validation from Technical Risks and the head of Data Protection, in addition to express authorisation from the Outsourced Services Management Area if a new service is involved.

To enhance the efficiency of procurement processes, the following initiatives have been undertaken in recent years:

- Availability of a single contract repository, enhancing the professionalism of physical safekeeping and the digital management of documents with an indexing and search system.
- Consolidation of a contracts management service that formally arranges the agreements awarded under the various contracts/documents. This makes it possible to standardise and apply strict criteria in the construction of documents, communication with stakeholders and evidence of validation.
- Continuous improvement of processes and use of management tools for the purchase process and control and monitoring of services. Among the action taken, improvements continue to be made to the procurement platform implemented in 2017, and the outsourced services management policy is continuing to be implemented in an internal tool.

- Incorporation of new functionalities in information systems that manage the supplier certification process.
- Control of the Group's critical functions, according to regulatory requirements for outsourced services.
- Inclusion of all the Bank's activities, and those of its subsidiaries, in the integrated expenditure management circuit, with a particular emphasis on the inclusion of the EVO and Avantcard businesses.
- In 2020, a new policy was published regulating procurement processes for goods and services in the banking Group. The procedures and information needed for these acquisitions have been adapted to the new regulations issued by the regulator.
- The process for requesting requirements from applicants has also been improved, with a new flow of forms to support the applicant in registering requests, avoiding duplication of information and enabling reuse of data for renewals and extensions of some processes

In early 2018, Bankinter's Board of Directors approved a new Code of Conduct for Suppliers, which entails a set of general operating principles and rules of professional conduct to govern the actions of all suppliers and establishes the ethical values that have traditionally governed relations with them.

In Línea Directa, the Suppliers Code of Ethics was approved by the Board of Directors in November 2012 and includes all procurement processes and all contracts with suppliers.

The purpose of these codes is to ensure that all suppliers and subcontracted companies comply with the stipulations of the United Nations Global Compact, encourage sustainable development, ensure human rights, observe employment regulations and promote environmental protection, among other things. In short, it aims to make sure that suppliers share and respect the ethical values that guide the conduct of the Group and its employees.

The principles described in this code of conduct are a key element in supplier selection and assessment, and breaches can lead to the termination of their contracts. Consequently, non-financial criteria – environmental, social and governance – have been included in the supplier assessment and certification procedure.

Bankinter has also included a clause in its contracts with suppliers relating to ethical and social management, whereby they undertake to prevent corruption, ensure data protection, avoid child labour and guarantee stability of employment, among other requirements.

Bankinter has incorporated social, environmental and human rights criteria into its supplier approval processes. Since 2018, all new suppliers are assessed against these non-financial criteria. During 2020, 11% of the Bank's total suppliers were evaluated (18% in 2019), so that 39.7% of the Bank's suppliers had been evaluated under ESG criteria by the end of the year.

The Línea Directa procurement policy establishes due diligence procedures in the selection and contracting of suppliers. All outsourcing of critical or important functions and operational activities must comply with a series of requirements and guarantees, as specified in the outsourcing policy.

There are no supervisory systems, or audits of results, beyond the assessment and approval of suppliers, but the Group is in the process of adopting these mechanisms.

Procurement processes exceeded 383 million euros in 2020 (319 million euros in 2019) with more than 1,140 tender processes (1,250 in 2019)

Bankinter has incorporated social, environmental and human rights criteria into its supplier approval processes.

The Customer Service Area is a service that acts independently and separately from the Bank's commercial services.

Customer service area

A service that acts independently

Bankinter Group customers and users have a Customer Service Area where they can file any complaints or claims about transactions and banking and financial services stemming from their relationship with the Bank. This service operates independently and separately from the commercial services.

Bankinter also has an independent Customer Ombudsman, who is equally competent in resolving claims by customers and users of the Bank, with full autonomy in their decisions.

Bankinter Group customers and users can send their complaints and claims to the Customer Service Area through the various communication channels provided by the Bank (e.g. online, e-mail, mobile, branch office and telephone). The Customer Service Area guarantees appropriate attention, resolution and communication for customers.

The activities of Bankinter's Customer Service Area and Customer Ombudsman are carried out in accordance with article 17 of Ministry of Economy Order 734/2004, of 11 March.

Customer Service Area activity report.

In 2020, the Customer Service Area handled 21,154 cases, of which 2,501 were complaints (11.82%) and 18,653 were claims (88.18%). Of these claims, 72.75% were resolved in favour of Bankinter and 27.25% in favour of the customer.

In 2020, 42.5% of cases were resolved within 48 hours (39% in 2019) and the average resolution time was less than 10 days, in compliance with the response times introduced by regulations applicable to the Customer Service Area.

To record and control complaints and claims, the Customer Service Area has a specific tool to follow up and analyse the cases and grounds for the claims, and track customer response times. We have continued to improve the applications used to improve the efficiency of the area's management.

The training plan for all employees in the department continued during the year. The main purpose of this is for them to acquire the legal and regulatory knowledge needed to perform their functions in controlling the Bank's activities so that they are consistent with prevailing regulations.

The Customer Service Area of Línea Directa Aseguradora, S.A. handled 7,717 cases in 2020 (7,663 in 2019), 8.62% of which, i.e. 665, were complaints (16.51% and 1,265 in 2019) and 91.38%, i.e. 7,052, were claims (83.49% and 6,398 in 2019). Of these, 28.75% related to policy quotes and management, 61.32% to accident management and the remaining 9.93% to travel assistant services and quotes, mainly (32.27%, 58.27% and 9.46% in 2019, respectively).

30.92% of the complaints and claims received in 2020 were upheld in favour of the claimant (33.76% in 2019).

EVO Banco's Customer Service Area handled 3,335 cases in 2020. Of the claims handled in those twelve months, 56% were favourable to the customer and 44% to the Bank. The average resolution period was 13 days (23 days on average in the previous year).

Avantcard received 544 complaints (272 from June 2019 to the end of the year), of which 486 (263 in 2019) were favourable to the Bank and 39 (18 in 2019) were favourable to the customer

Customer Ombudsman activity report

In addition to the Customer Service Area, customers and users can send their complaints and claims to another body which is completely separate from the Bank.

The Customer Ombudsman, José Luis Gómez-Dégano y Ceballos-Zúñiga, handles claims where customers or users disagree with the Customer Service Area's decision and cases where customers prefer to contact this body directly.

In 2020 the Customer Ombudsman handled 481 cases, of which 5 were complaints and 476 were claims. Of these, 110 were resolved in favour of the customer (22.87%) and 371 were resolved in favour of the Bank (77.13%).

In the case of Línea Directa, 1045 files were handled by the Customer Ombudsman in 2020 (491 files in 2019).

Banco de España

A total of 272 cases from Banco de España were handled in 2020, of which:

- In the Bank's favour: 34 (32 in 2019)
- In the customer's favour: 49 (39 in 2019)
- Uncontested: 62 (29 in 2019)
- No competence: 4 (8 in 2019)
- Filed: 14 (0 in 2019)
- Withdrawn: 7 (0 in 2019)
- Resolution pending: 102 (42 in 2019)

At EVO Banco, the volume was down by almost 50% in 2020 compared to the previous year, with a total of 79 cases from Banco de España being handled (74 in 7 months of 2019), of which:

- In the Bank's favour: 18 (9 in 2019)
- Against the Bank: 17 (19 in 2019)
- Uncontested: 18 (39 in 2019)
- Not admitted/no competence: 9 (1 in 2019)
- Resolution pending: 17 (6 in 2019)

Spanish National Securities Market Commission

A total of 33 claims were submitted through the Spanish National Securities Market Commission in 2020, of which 14 were resolved (22 in 2019). Of these resolutions:

- Against the Bank: 10 (4 in 2019)
- In the Bank's favour: 4 (15 in 2019)
- Pending: 19 (3 uncontested in 2019)

In the case of EVO Banco, one claim was presented through the Spanish National Securities Market Commission in 2020 (five in 2019), which went in the customer's favour.

Bankinter has a governance framework for privacy and data protection guaranteeing the right to privacy of customers, shareholders, employees and suppliers.

Data protection

Complying with new requirements

In recent years, Bankinter Group has implemented the General Data Protection Regulation 2016/679 (GDPR) and the new Organic Law 3/2018, on the protection of personal data and guarantees of digital rights, as part of its commitment to ensuring the privacy of its customers, employees and suppliers, and the confidentiality of transactions.

In compliance with the new requirements of these regulations, Bankinter Group has a governance framework for privacy and data protection to guarantee the right to privacy of customers, shareholders, employees and suppliers (the "data subjects"). Bankinter has appointed a data protection officer for Bankinter and the Group's subsidiaries that process personal data.

In 2019, the Board of Directors approved Bankinter Group's privacy policy. The most significant changes this introduced are:

- 1) The general privacy principles that Bankinter Group must uphold are defined more clearly.
- 2) The processing carried out by Bankinter Group is described in greater detail.
- 3) The organisational structure of Bankinter Group with regard to privacy is set out. This structure is made up of:
 - i) Privacy Committee
 - ii) Corporate privacy and data protection officer
 - iii) Privacy and data protection officers of the Bankinter Group companies.

As the data controller, Bankinter Group complies with the principle of transparency and informs the data subjects of: the processing it performs of their personal data; the legal basis for this processing; where and how they can exercise their rights of access, rectification, deletion, opposition, portability

and limitation; the recipients of the data; and how to contact the data protection officer.

The Group guarantees at all times that personal data and transactions are transmitted using suitable, reliable and secure channels, ensuring their integrity and confidentiality.

All employees are obliged to take a compulsory course on privacy and data protection.

All contracts also include a clause with basic information about the processing of their data by Bankinter, S.A., and customers are informed of where they can obtain more detailed information.

In 2018, Línea Directa implemented measures including: keeping a record of data processing activities; appointing a data protection officer with the DPO organisational model; and designing a privacy policy and updating contract clauses. A procedure is also in place for awards and contracting suppliers, with contract clauses updated as they are renewed. The internal procedures include: the ARCOLP (Access, Rectification,

Cancellation, Opposition, Limitation of Processing and Portability) procedure, the procedure for reporting personal data breaches and the standardised procedure for systematic individual savings plans and risk analysis. The data protection policy was updated again in June 2020 to complete the adaptation to the GDPR.

EVO, as a Bankinter Group company, is covered by the scope of the Group's privacy policy. It also has additional policies related to data protection and ARCOLP, the length of time that documents are kept, impact evaluations, reporting security incidents and processing logs.

Avantcard, EVO's subsidiary in Ireland, has its own privacy policy, which is reviewed annually.

At 2020 year-end, no significant penalties had been imposed on Bankinter Group regarding data protection.

At 2020 year-end, no significant penalties had been imposed on Bankinter Group regarding data protection.





Bankinter has focused its efforts on being on its customers' side to understand and respond quickly to their needs and help them deal with the effects on their businesses, regular operations and investments.

Quality

On the side of customers

In the exceptional situation resulting from the pandemic in 2020, Bankinter focused its efforts on being on the side of its customers, to understand and respond flexibly to their needs, helping them to face the effects on their businesses, normal operations and investments. To achieve this, it enhanced communication and contact with customers across all its commercial networks (which managed to maintain their service levels, whether working in-person or remotely) and through its telephone banking, which also adapted to the situation to meet the new needs of customers, with a significant increase in the volume of calls and emails handled.

In digital banking, all of Bankinter's websites and applications worked fully and properly in response to the increase in customer enquiries and operations. Processes have been streamlined and adapted (digital signature, financing, etc.) and many measures have been implemented in response to customers' needs: new products, increased flexibility and improved terms and conditions, etc.

In digital banking, all of Bankinter's websites and applications worked fully and properly in response to the increase in customer inquiries and operations.

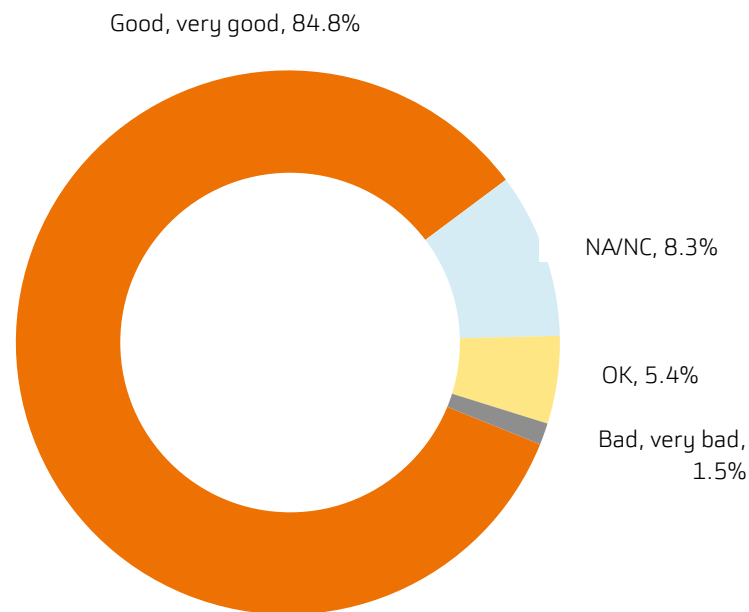
Specific questions have been added to the regular studies of the effects of the pandemic and Bankinter's response to customers' concerns and needs:

84.8% of customers rated the service offered through the online channels (apps, websites, telephone banking) as good or very good.

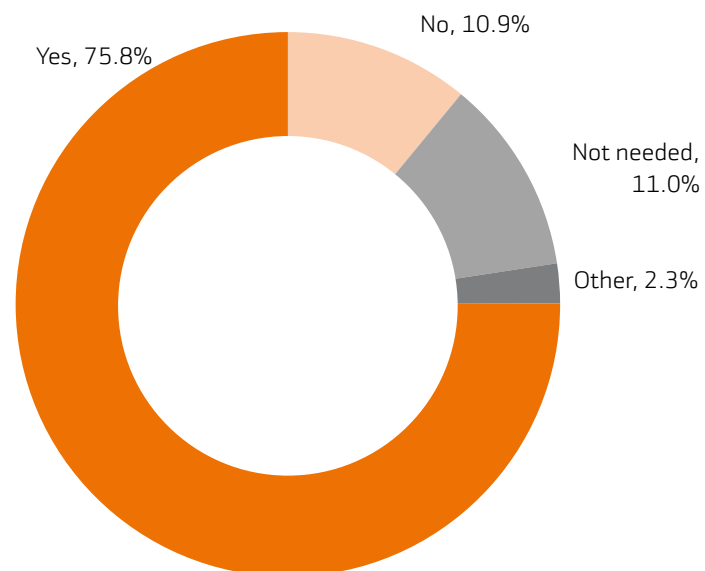
75.8% felt that Bankinter was at their disposal, through their branch, manager or telephone banking, dealing with their queries and needs.

Bankinter, with the collaboration of our suppliers, has continued all of its opinion surveys to continue measuring the experience of our customers in their relationship with the Bank.

Some of the highlights from the point of view of quality include: the positive opinion of the Bank's management at the worst moments of the pandemic; the increase in quality perceived by customers and in internal quality as perceived by employees; the development of the predictive quality management pilot; and the increasing digitalisation of customers.



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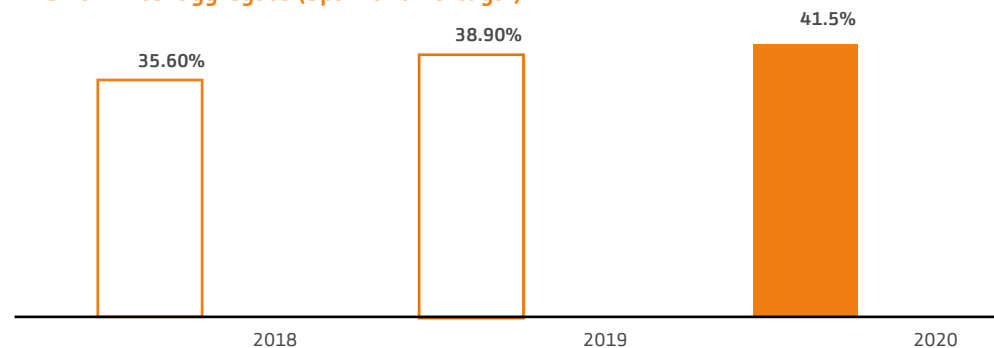
Customer quality

The aggregate index of quality perceived by customers in Spain and Portugal in 2020, measured through the Net Promoter Score (NPS) index, stood at 41.5% (+ 6.7% compared to the previous year). In Spain the NPS was 42.1% (+7.1%), with customers perceiving improved quality in all the Bank's commercial networks. The perceived quality in the branch network improved in 63% of commercial centres and branches. The NPS for Bankinter Portugal was 34.4% (+20.7%), with 67% of the centres and branches improving their NPS score.

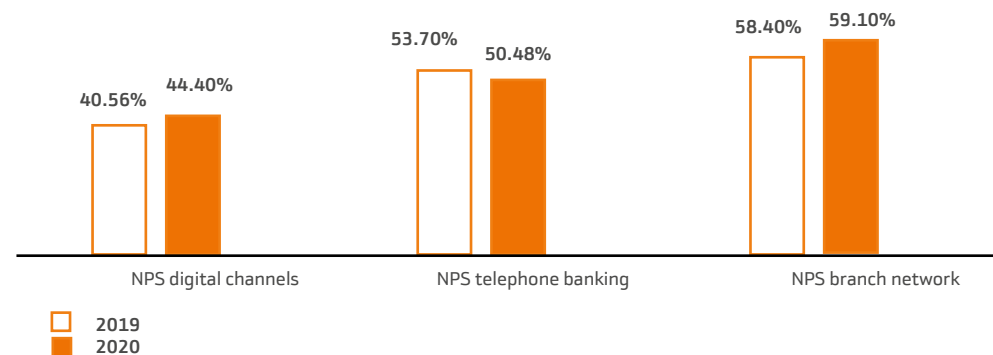
The trend in the level of customer satisfaction remains very positive.

With regard to relationship channels, the level of satisfaction with digital channels (websites, apps) was noteworthy in 2020, with increased customer satisfaction.

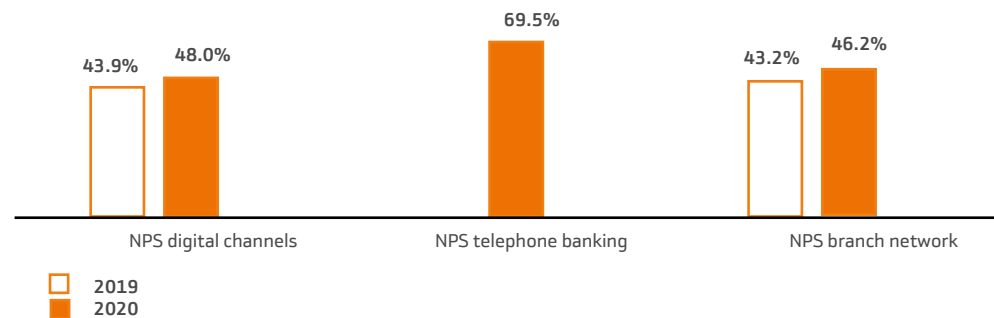
NPS Bankinter aggregate (Spain and Portugal)



NPS by channels Spain



NPS by channels Portugal



Digital banking

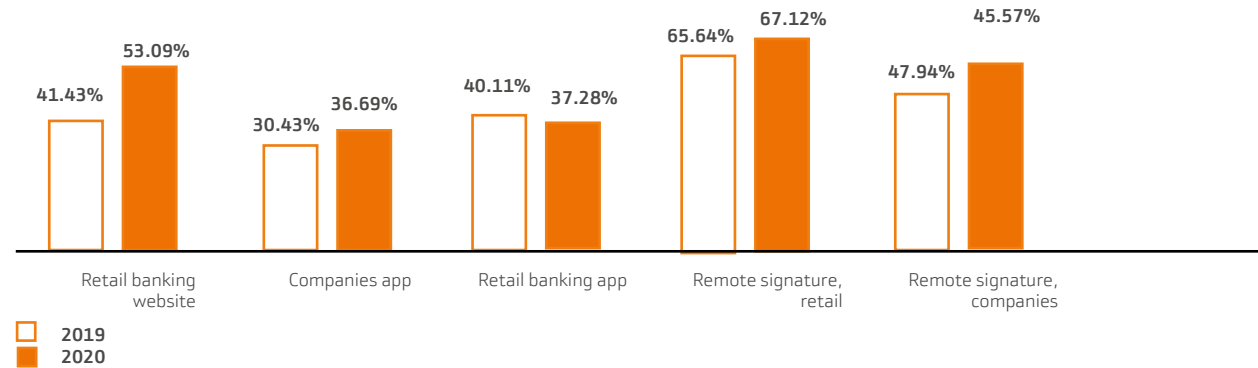
In 2020, 22 processes in the Bank's websites and apps were measured (+37.5% compared to a year ago), providing very important customer information for improving the design, functionality and operation of the applications. The appreciation of customers who use our platforms and websites continues to increase, with an aggregate NPS of 44.4% (+9.4%).

In Spain, highlights include the increase in the appreciation of the website (+28.3%) and the high recommendation levels for the remote signature process. Bankinter Portugal also achieves high levels of recommendation from its customers for the website for individuals (+11.5%) and mobile banking (+11%).

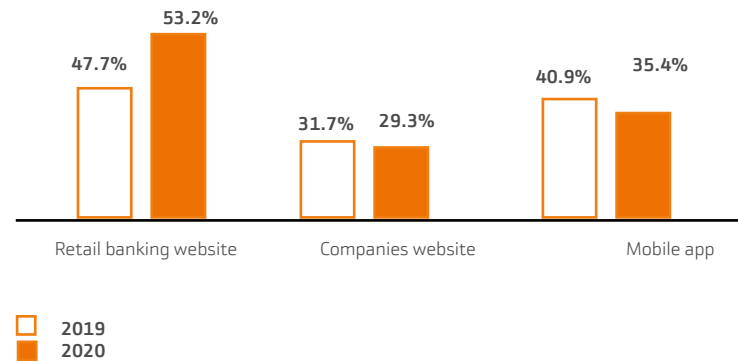
The Quality area is continuing to support the Digital Transformation areas by measuring the customer experience in 22 processes, in real time. This gives technical teams daily information on customer perception, reasons for dissatisfaction and customer suggestions to improve the functionality, operations and functioning of processes on Bankinter's websites and apps.

The Process Transformation area measures 72 processes in real time to understand and improve our employees' experience. The Net Satisfaction Score (NSS) stands at an excellent 71.2% (+20% compared to the previous year).

NPS digital channels, Bankinter Spain



NPS digital channels, Bankinter Portugal



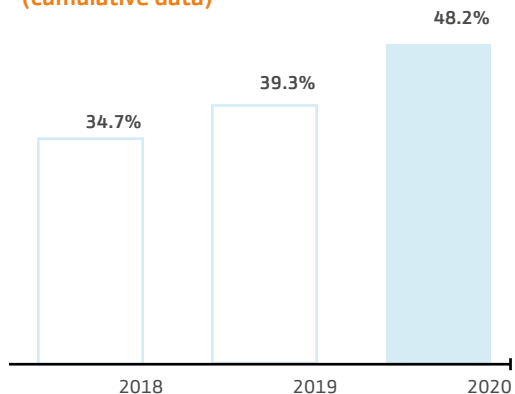
Technical teams receive daily information on customer perception, reasons for dissatisfaction and customer suggestions to improve the functionality, operations and functioning of processes on Bankinter's websites and apps.

Internal quality

The Bank's Central Services made significant efforts to support the commercial network, facilitating its work so that it can provide the best possible service to customers, especially during the pandemic: adaptation of facilities; information and support for employees in the commercial network for advising customers; agility and flexibility in financing and processing ICO loans; technological support from the Systems area for all areas of the Bank; and successful operation at the customer and employee level (teleworking). During the year, several focused studies assessed the measures adopted to mitigate the impact of COVID-19 and collect suggestions and initiatives.

The degree of satisfaction with Central Services remains on a very positive trend, increasing by 23% in Spain over the previous year

Internal quality, Spain (cumulative data)

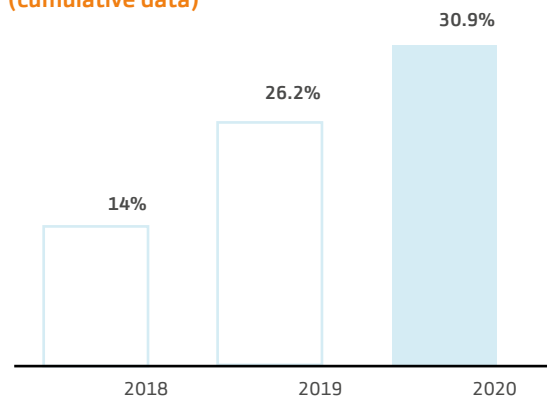


The overall satisfaction level in Bankinter Portugal was 30.9% (+18% compared to 2019), also remaining on a very positive trend.

Improvement actions in 2020 focused on three areas: (i) improving the communication process between areas; (ii) increasing closeness with people and other areas (bringing internal customers closer, making their areas and business support measures better known); and (iii) simplifying internal processes and identifying digital solutions to increase efficiency.

In 2021, real-time measurement of the most important operational processes will be implemented with centralisation of administrative tasks, to free up time for commercial teams. The objective is to accelerate digitalisation processes, simplifying processes in all areas so that the commercial network can provide a better service to customers.

Internal quality, Portugal (cumulative data)



The degree of satisfaction with Central Services remains on a very positive trend, increasing by 23% in Spain over the previous year.



Objective quality compared to our peers

The objective quality of Bankinter Spain's branches received a score of 8.3 out of 10 (8.2 in 2019), compared to 7.6 for the sector as a whole (7.4 in 2019), according to the EQUOS study, performed using the mystery shopping technique in around 4,000 bank branches across the country.

The score for Bankinter Portugal was 9.22 (9.16 in 2019), 10.6 points above the sector average for the country.

Línea Directa Aseguradora

Measurement of the company's key processes using the NPS indicator began in 2020, with a score of 36.54%. This has enabled measurement of customer satisfaction after key moments such as the provision of service for a claim, roadside assistance and policy renewals. This measurement, together with Text Analytics technology, enables us to understand the aspects for improvement of the company and the concerns of customers to improve these figures, on a daily basis. Due to the actions implemented, an improvement of 5% was achieved in the first quarter of the year compared to the average for the last three years.

EVO Banco

EVO has a Customer Laboratory that monitors its reputation with customers by carrying out annual satisfaction surveys and making recommendations.

A Betatesters programme has been launched with approximately 3,000 customers to test all new features in the mobile app one month before all other users with a view to comparing opinions and validating certain developments.

Permanent real-time consultation software has been introduced to gather feedback and opinions from customers on all the questions asked. This software is integrated into the app, which is the main channel for contact with our customers.

Active listening is carried out with customers and the following customer satisfaction surveys are conducted:

1. Seven days after opening an account to assess the degree of satisfaction with the registration process.
2. 6 months and then 12 months later to assess the overall degree of satisfaction with EVO and in particular with the main EVO products and services.

3. Online real-time satisfaction surveys when a customer uses one of the 'Trigger' services.

4. Surveys when a customer calls the call centre.

5. Surveys to rate satisfaction with the Youth Account.

6. Active listening on social media to identify customer pain points and try to solve them as quickly as possible.

Thanks to these measures, the EVO banking app is one of the most highly rated apps on the market. In 2017 the prestigious organisation 'The Awards' named it the best banking app. At the end of 2020, the "World Finance" jury chose EVO as the best digital bank in Spain, and its mobile application as the best banking app, with a rating of 4.6 out of 5 in the last year. In the last benchmark testing at the end of 2020, EVO was one of the four banks with the highest customer satisfaction scores, with the second best banking NPS in Spain.

Avantcard

In 2019, a central quality control team was created with the sole responsibility of carrying out active listening and analysing accounts to guarantee quality and the highest standards.

2021 objectives

For 2021, Bankinter's Quality area has set itself the challenge of expanding the measurement of Digital Banking and Operations processes, continuing to digitalise internal processes, implementing a predictive quality model in the commercial network, improving management information for all areas of the Bank, and supporting business centres with low NPS levels.

The ultimate goal of this strategy is to ensure responsible compliance with tax regulations while respecting corporate interests and supporting the Group's business strategies.

Tax practices and benefits

Ensuring responsible compliance with tax regulations while respecting the corporate interest

Bankinter Group has a fiscal strategy, which it publishes on its corporate website ([link](#)). This was approved by the Board of Directors in 2015 and includes the purposes, principles, good tax practices, governance, monitoring and control of fiscal risks, and adherence to the code of good tax practices.

The ultimate goal of this strategy is to ensure responsible compliance with tax regulations while respecting corporate interests and supporting the Group's business strategies. Within the framework of its social and corporate responsibility, Bankinter Group recognises the social value and worth of the tax system. It therefore aims to ensure that its tax function serves the Group's corporate interests and those of its stakeholders, and respects the value this adds to the trust of the local community in which it operates.

Bankinter's guiding principles include the entity's commitment to complying with the legal, statutory and regulatory tax provisions applicable in the jurisdictions where it performs its business, and with all applicable

taxes. The Group promotes a climate of good faith, transparency, collaboration and reciprocity in its relations with the tax authorities.

The Group has a tax risk control policy, which is a non-delegable power of the Board of Directors. This is executed through the Office of the General Secretary and the Tax Advisory Department (which is assigned to and subordinate to the Office of the General Secretary). The objective is to assess tax risks responsibly using defined parameters, to prevent and minimise significant tax risks.

Bankinter integrates tax matters into its risk control and management system in order to be able to evaluate and manage the tax risks that arise in its activities efficiently. The Audit and Compliance Committee, in accordance with the provisions of its Rules and Regulations, supervises the effectiveness of the tax risk control and management system and reports regularly to the Board of Directors.

Bankinter Group has undertaken to follow good tax practices (as described in its strategy) in its activities that lead to the reduction of significant tax risks and the prevention of behaviour that could generate them. These include the total availability of the Group to the tax administration in terms of disclosure requirements and collaboration in detection, identification and resolution of fraudulent tax practices in the markets where it operates.

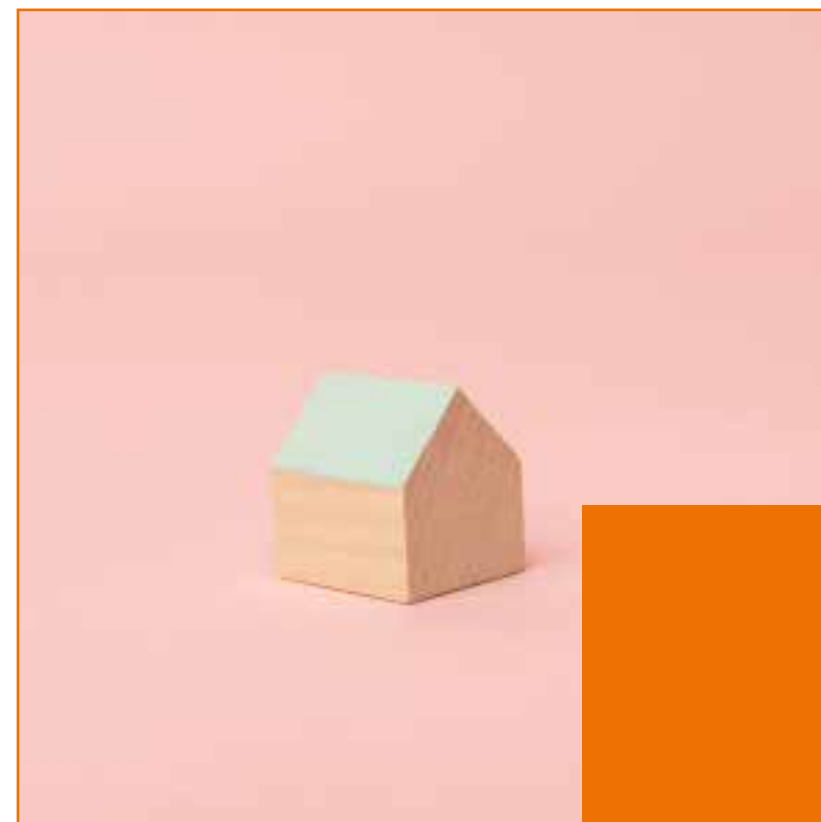
Bankinter Group's annual public reports disclose the location and tax address of its companies and subsidiaries, the purpose of which is to provide services to customers residing in these locations, issue debt or carry out securitisations, and under no circumstances to avoid tax obligations.

As already mentioned, Bankinter has signed the Code of Good Tax Practices, which is promoted by the Spanish tax authorities, which contains recommendations that can be voluntarily assumed by the authorities and entities that adhere to the Code. This

is aimed at improving the application of the tax system with legal certainty, reciprocal cooperation based on good faith and legitimate expectations, and the application of responsible tax policies that are approved by the boards of directors.

Bankinter Group has strengthened its reporting transparency practices, publishing its total tax contributions, broken down by type and geographical area. Bankinter Group did not receive any subsidies or public aid in 2020.

For more information, see notes 17 (Tax assets and liabilities) and 43 (Tax situation) of Bankinter Group's Legal Report. The Corporate Governance Report provides more detailed information on the tax risk management system.



Distribution of income tax paid (thousands of euros) Figures at 31 December 2020

	2020	2019
Total income tax paid by Bankinter Group in Spain	68,364.3	83,671.7
Total income tax paid by Línea Directa Group in Spain	30,576.7	33,863.5
Total income tax paid in 2020 in Spain	98,941.1	117,535.2
Total income tax paid in 2020 in Portugal	20,255.5	5,969.9
Total income tax paid in 2020 in Luxembourg	-	-
Total income tax paid in 2020 in Ireland	1,616.0	2,029.9
Total income tax paid in 2020 by the consolidated Bankinter Group	120,812.6	125,535.1

Gross profit (in thousands of euros).

	2020	2019
Spain	359,160	665,902
Luxembourg	4,380	65,627
Portugal	45,132	3,059
Ireland	11,840	6,817
Total	420,512	741,405

Annexes

**2020
CONSOLIDATED
NON-FINANCIAL
INFORMATION
STATEMENT**



Annex I: Requirements of Law 11/2018 regarding non-financial and diversity information

Requirements of Law 11/2018 regarding non-financial and diversity information					
AREAS	Content	Material topic in the Company's materiality analysis	Scope/boundary	Related GRI standards	Report chapter
Business model	Brief description of the Group's business model, including: 1) its business environment 2) its organisation and structure 3) the markets in which it operates 4) its objectives and strategies 5) the main trends and factors that may affect its future development	YES	Bankinter Group	102-2/102-6	Business model Note 50 of the Annual Accounts (Information by segments)
Policies	<u>A description of the policies</u> that the Group applies to these matters, including: 1) the due diligence procedures applied to identify, assess, prevent and mitigate risks and their significant impacts 2) the verification and control procedures, including the measures taken	YES	Bankinter Group	103 Management approaches for each area	Risk management Foreign currency risk Emerging risks Other ESG risks Sustainability management Environmental matters Social and employee-related matters Human rights Anti-corruption Society
Short-, medium- and long-term risks	<u>The main risks</u> in relation to matters linked to the Group's operations, including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and * how the Group <u>manages</u> these risks * explaining the <u>procedures used to detect and assess them</u> according to national, European or international reference frameworks for each topic * Should include <u>information on the impacts detected</u> , with the related breakdown, in particular on the main short-, medium- and long-term risks.	YES	Bankinter Group	102-15	Risk management Foreign currency risk Emerging risks Other ESG risks Sustainability management Environmental matters Social and employee-related matters Human rights Anti-corruption Society
KPIs	Non-financial key performance indicators that are relevant to the particular business activity and that meet criteria of comparability, materiality, relevance and reliability. * To facilitate the comparison of information, both over time and between entities, certain standards for non-financial key performance indicators that may be generally applied and that comply with the guidelines of the European Commission in this regard and the <u>Global Reporting Initiative standards</u> will be used, whereby the national, European or international framework used for each area must be specified in the report. * <u>The non-financial key performance indicators must be applied to each section of the non-financial statement.</u> * These indicators must be useful, taking into account the specific circumstances that are consistent with the parameters used in their internal risk management and assessment procedures. * In any case, the disclosures must be accurate, comparable and verifiable.	YES	Bankinter Group	Key performance indicators of each area	Risk management Sustainability management: Significant indicators Environmental matters: emissions, energy, water, paper, waste tables Social and employee-related matters: employee breakdown, training, selection, performance, absence, remuneration tables Human rights Fight against corruption: internal audit control, professional ethics, AML training, contributions to foundations Society: Commitments to sustainable development Society: Customer Service Area/Quality/Data protection

Requirements of Law 11/2018 regarding non-financial and diversity information

AREAS	Content	Material topic in the Company's materiality analysis	Scope/ boundary	Related GRI standards	Report chapter
Environmental matters	Global environment				
	1) Detailed information about the <u>current and foreseeable effects of the Bank's activities on the environment</u> and, where applicable, health and safety, environmental assessment or certification procedures 2) The <u>resources dedicated to environmental risk prevention</u> 3) The application of the <u>precautionary principle, the quantity of provisions and guarantees for environmental risks (e.g. arising from the environmental responsibility law)</u>	YES	Bankinter Group	103 Management approaches for each environmental area	Non-financial risk management (climate change risk, emerging risks, other ESG risks) Sustainability management: Bankinter and Linea Directa Sustainability Plan Environmental matters: Environment Policy, Climate Change Strategy, Environmental Management Systems
	Pollution				
	<u>Measures to prevent, reduce or repair carbon emissions</u> that seriously affect the environment, taking into account any form of specific air pollution of an activity, including noise and light pollution.	YES	Bankinter Group	103 Emissions/ 305-5	Sustainability management: Bankinter and Linea Directa Sustainability Plan Environmental matters: Environment Policy, Climate Change Strategy, Eco-Efficiency Indicators, Environmental Management Systems Environmental aspects are measured and managed using the environmental management systems in place. However, light and noise pollution are not material aspects for the Group's activity.
	Circular economy and waste prevention and management				
	<u>Circular economy</u>	YES	Bankinter Group	301-2	Environmental matters: Waste management
	<u>Waste</u> : prevention measures, recycling, reuse and other forms of recovery and elimination of waste	YES	Bankinter Group	103 Waste / 306-2	Environmental matters: Waste management
	<u>Actions to combat food waste.</u>	No	Bankinter Group		
	Sustainable use of resources				
	The <u>consumption</u> of water and the supply of water <u>according to local restrictions</u>	YES	Bankinter Group	303-5	Environmental matters: Eco-efficiency and sustainable resource usage indicators All of the Group's water consumption comes from the water network.
<u>Consumption</u> of raw materials and the <u>measures taken to improve efficiency in their use</u>	YES	Bankinter Group	301-1 / 301-2	Environmental matters: Eco-efficiency and sustainable resource usage indicators	
Direct and indirect <u>consumption of energy</u> , measures taken to improve energy efficiency and the use of <u>renewable energy</u> .	YES	Bankinter Group	103 Energy 302-1 / 302-2 / 302-3 302-4	Sustainability management: Relevant indicators Environmental matters: Eco-efficiency and sustainable resource usage indicators / Indirect emissions table	

Requirements of Law 11/2018 regarding non-financial and diversity information

AREAS	Content	Material topic in the Company's materiality analysis	Scope/ boundary	Related GRI standards	Report chapter
Environmental matters	Climate change				
	The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services produced	YES	Bankinter Group	103 Emissions 305-1 / 305-2 / 305-3 305-4 / 305-5 /	Environmental matters: Climate Change Strategy, Carbon Footprint
	The measures adopted to adapt to the consequences of climate change	YES	Bankinter Group	103 201-2	Risk management Climate change risk, emerging risks, other ESG Environmental matters: Climate Change Strategy, Carbon Footprint
	The voluntarily established medium- and long-term emission reduction targets to reduce greenhouse gas emissions and the measures implemented for this purpose.	YES	Bankinter Group	103 Emissions 305-5	Environmental matters: Climate Change Strategy, Carbon Footprint, Environmental Management Systems
	Biodiversity protection				
	Measures taken to preserve or restore biodiversity	YES	Bankinter Group	304 Biodiversidad	Environmental matters: biodiversity
	Impacts caused by activities or operations in protected areas.	YES	Bankinter Group	304-2	Environmental matters: biodiversity
Social and employee-related matters	Employment				
	Total number and distribution of employees by gender, age, country and professional category.	YES	Bankinter Group	103 Employment 102-8 / 405-1	Social and employee-related matters: contract type and employee breakdown tables
	Total number and distribution of work contracts by type	YES	Bankinter Group	102-8	Social and employee-related matters: contract type and employee breakdown tables
	Annual average of permanent, temporary and part-time contracts by gender, age and professional category	YES	Bankinter Group	102-8 / 405-1	Social and employee-related matters: average contract type and average employee breakdown tables
	Number of dismissals by gender, age and professional category	YES	Bankinter Group	401-1	Social and employee-related matters: Breakdown of dismissals table in Selection section
	Average remuneration and changes by gender, age and professional category or equal value; Salary gap , the remuneration for positions of equal or average work at the company	YES	Bankinter Group	103 Employment, diversity and equality 405-2	Social and employee-related matters: Remuneration tables in Total Remuneration section
	Average remuneration of directors and executives , including variable remuneration, attendance fees, severance payments, payments to long-term savings schemes and any other compensation broken down by gender	YES	Bankinter Group	102-35 / 102-36 / 102-38 / 102-39	Social and employee-related matters: Remuneration tables in Total Remuneration section
	Implementation of labour disconnect policies	YES	Bankinter Group	103 Employment	Social and employee-related matters: Disconnection policies
Employees with disabilities	YES	Bankinter Group	405-1	Social and employee-related matters: Employees with disabilities	

Requirements of Law 11/2018 regarding non-financial and diversity information

AREAS	Content	Material topic in the Company's materiality analysis	Scope/ boundary	Related GRI standards	Report chapter
Social and employee-related matters	Organisation of work				
	Organisation of work time	YES	Bankinter Group	103 Employment	Social and employee-related matters: Labour disconnection, work-life balance, dialogue with employees policies
	Number of hours of <u>absenteeism</u>	YES	Bankinter Group	403-9	Social and employee-related matters: Health and safety committees / Absence tables
	<u>Measures</u> aimed at facilitating work-life balance and promoting co-sharing by both parents	YES	Bankinter Group	103 Employment	Social and employee-related matters: Work-life balance
	Health and safety				
	Health and safety conditions in the work place	YES	Bankinter Group	103 Health and safety	Social and employee-related matters: Health and safety, Health and Safety Committees
	<u>Occupational accidents</u> , in particular their frequency and seriousness, occupational illnesses, by gender	YES	Bankinter Group	403-9 / 403-10	Social and employee-related matters: Health and Safety Committees
	Social relationships				
	Organisation of <u>social dialogue</u> , including procedures for notifying and consulting personnel and negotiating with them	YES	Bankinter Group	103 Labour/ management relations	Social and employee-related matters: Dialogue with employees, Trade union representation
	Percentage of <u>employees covered by collective bargaining agreements by country</u>	YES	Bankinter Group	102-41	Social and employee-related matters: Collective bargaining agreements
	<u>Balance</u> of collective bargaining agreements, in particular with regard to occupational health and safety	YES	Bankinter Group	403-4	Social and employee-related matters: Collective bargaining agreements
	Training				
	<u>Policies implemented</u> with regard to training	YES	Bankinter Group	103 Training	Social and employee-related matters: Training and talent
	<u>Total number of hours</u> of training <u>by professional category</u>	YES	Bankinter Group	404-1	Social and employee-related matters: Training and talent
	Universal accessibility for persons with disabilities	YES	Bankinter Group	103 Diversity and equality, non-discrimination	Social and employee-related matters: Accessibility
	Equality				
<u>Measures adopted</u> to promote equal treatment and opportunities for men and women	YES	Bankinter Group	103 Diversity, equal opportunities and non-discrimination	Social and employee-related matters: Equality plans and measures adopted to promote equal opportunities	
<u>Equality plans</u> (Chapter III of Organic Law 3/2007, of 22 March, for effective equality of men and women), <u>measures adopted to promote employment, protocols against sexual and gender harassment, the integration and universal accessibility of disabled persons</u>	YES	Bankinter Group		Social and employee-related matters: Equality plans and measures adopted to promote equal opportunities	
The <u>policy</u> against all types of discrimination and, where applicable, for managing diversity	YES	Bankinter Group		Social and employee-related matters: Equality plans and measures adopted to promote equal opportunities, diversity policy	

Requirements of Law 11/2018 regarding non-financial and diversity information

AREAS	Content	Material topic in the Company's materiality analysis	Scope/ boundary	Related GRI standards	Report chapter
Human rights	Application of <u>due diligence processes</u> with regard to human rights Prevention of risks of human rights violations and, where applicable, measures to mitigate, manage and repair potential abuses committed	YES	Bankinter Group	103 HR 410-1 / 412-1 /	Human rights Fight against corruption: Professional ethics
	<u>Complaints</u> of incidents of human rights violations	YES	Bankinter Group	406-1	Human rights
	<u>Promotion and compliance with</u> the provisions of the <u>core conventions of the International Labour Organisation</u> related to respect for the freedom of association and the right to collective bargaining	YES	Bankinter Group	406-1	Human rights Social and employee-related matters: Collective bargaining agreements
	The <u>elimination of discrimination</u> in employment and occupation	YES	Bankinter Group	406-1	Human rights
	The <u>elimination of forced or compulsory labour</u>	No	Bankinter Group		
	The <u>effective abolition of child labour</u>	No	Bankinter Group		
Corruption and bribery	<u>Measures</u> adopted to <u>prevent</u> corruption and bribery	YES	Bankinter Group	103 Anti-corruption 205-2 / 205-1 / 205-3	Fight against corruption and bribery: Institutional framework, Internal Audit control, Professional ethics
	<u>Measures to combat</u> money laundering	YES	Bankinter Group	205-2	Fight against corruption and bribery: Institutional framework, two key areas, Internal Audit control
	<u>Contributions to foundations and NGOs</u>	YES	Bankinter Group	103 Anti-corruption	Fight against corruption and bribery: Contributions to foundations Commitments to sustainable development: Strategic alliances
Society	The company's commitment to sustainable development				
	The <u>impact</u> of the company's activity on <u>employment and local development</u>	YES	Bankinter Group	103 Local communities and indirect economic impacts	Society. Commitments to sustainable development: net employment, expenditure on suppliers, implementation of SDGs, sustainable products, social action, strategic alliances
	The <u>impact</u> of the company's activities on <u>local populations and the region</u>	YES	Bankinter Group	103 Local communities and indirect economic impacts	Society. Commitments to sustainable development: net employment, expenditure on suppliers, implementation of SDGs, sustainable products, social action, corporate volunteering, strategic alliances
	The <u>relationships</u> with the main actors in local communities and the types of dialogue with them	YES	Bankinter Group	102-43	Society. Commitments to sustainable development: implementation of SDGs, sustainable products, social action, corporate volunteering, strategic alliances. Sustainability management: Dialogue channels with stakeholders
	<u>Association or sponsorship</u> actions	YES	Bankinter Group	102-12 / 102-13	Society. Commitments to sustainable development: Strategic alliances

Requirements of Law 11/2018 regarding non-financial and diversity information

AREAS	Content	Material topic in the Company's materiality analysis	Scope/boundary	Related GRI standards	Report chapter
Society	Subcontracting and suppliers				
	* The inclusion of social, gender equality and environmental matters in the procurement policy; * Consideration of social and environmental responsibility in relationships with suppliers and subcontractors	YES	Bankinter Group	103 Supplier assessment	Society: Subcontracting and suppliers
	Supervision and audit systems and their results	YES	Bankinter Group	103 Procurement practices	There are no supervisory systems, or audits of results, beyond the assessment and approval of suppliers, but the Group is in the process of adopting these mechanisms.
	Consumers				
	Measures for the health and safety of consumers	YES	Bankinter Group	103 Customer health and safety, privacy	Society: Quality Society: Customer Service Area Fight against corruption: Professional ethics
	Systems for claims, complaints received and resolution	YES	Bankinter Group	103 Customer health and safety, privacy	Society: Quality Society: Customer Service Area
	Tax information				
	Profits obtained country-by-country Income tax paid	YES	Bankinter Group	103 Economic performance	Society: Tax practices and benefits
Public subsidies received	YES	Bankinter Group	201-4	Society: Tax practices and benefits	
Other significant information	Other information on the Company's profile	YES	Bankinter Group	102-1 to 102-13	GRI index: Organisational profile Introduction Business model
	Corporate governance	YES	Bankinter Group	102-18 to 102-39	GRI index: Governance 2020 annual corporate governance report
	Stakeholder engagement	YES	Bankinter Group	102-40, 41, 42, 43, 44	Sustainability management: Dialogue with stakeholders and Materiality analysis
	Other useful information on preparation of the document	YES	Bankinter Group	102-45 to 102-56	GRI index: Reporting practice

* In addition to the GRI content specified in the table above, the Non-Financial Statement of Bankinter Group includes the following content: 102-14; 102-16; 102-17; 103 - Economic performance; 201-1; 201-3; 103 - Market presence; 202-1; 202-2; 103 - Indirect economic impacts; 203-2; 103 - Procurement practices; 204-1; 103 - Anti-corruption; 103 - Anti-competitive behaviour; 206-1; 207-1, 207-2, 207-3 - Taxation 103 - Materials; 301-3; 103 - Energy; 302-5; 103 - Water; 303-1; 303-2; 303-3; 303-4; 103 - Emissions; 103 - Effluents and waste; 306-1; 306-3; 306-4; 103 - Environmental compliance; 307-1; 103 - Supplier environmental assessment; 308-1; 103 - Employment; 401-2; 401-3; 103 - Labour/management relations; 402-1; 103 - Occupational health and safety; 403-4; 403-5; 403-6; 403-8; 403-9; 403-10 103 - Training and education; 404-2; 404-3; 103 - Diversity and equal opportunities; 103 - Non-discrimination; 103 - Freedom of association and collective bargaining; 103 - Child labour; 103 - Forced or compulsory labour; 103 - Security practices; 103 - Human rights assessment; 412-3; 103 - Local communities; 413-2; FS13; FS14; 103 - Evaluation of practices; 414-1; 103 - Public policy; 415-1; 103 - Customer health and safety; 103 - Marketing and labelling; 417-2; 417-3; FS15; FS16; 103 - Customer privacy; 103 - Financial compliance; 419-1; FS6; G4-DMA - Audit; FS9; G4-DMA - Shareholder activism; FS12. This content is detailed in the GRI content index. Introduction

Annex II: 2020 GRI Index

GENERAL CONTENT

	Location in the Non-Financial Statement	Omission	External assurance
GRI INDICATORS ORGANISATIONAL PROFILE			
102-1 Name of the organisation.	Bankinter Group	-	PwC assurance report
102-2 Activities, brands, products and services	Business model	-	PwC assurance report
102-3 Location of headquarters	Paseo de la Castellana 29 – 28046 Madrid	-	PwC assurance report
102-4 Location of operations	Bankinter's significant operations are carried out in Spain, Portugal and Ireland.	-	PwC assurance report
102-5 Ownership and legal form	Bankinter, S.A.	-	PwC assurance report
102-6 Markets served	Business model	-	PwC assurance report
102-7 Scale of the organisation	Social and employee-related matters: Employee breakdown tables	-	PwC assurance report
102-8 Information on employees and other workers	Social and employee-related matters: Employee breakdown tables	-	PwC assurance report
102-9 Supply chain	Society: Subcontracting and suppliers	-	PwC assurance report
102-10 Significant changes to the organisation and its supply chain	There have been no significant changes in the organisation	-	PwC assurance report
102-11 Precautionary principal or approach	Business model: Strategy. Risk management Environmental matters: principle of prevention, analysing and managing its main environmental risks throughout its value chain, both those directly related to the buildings where its employees work and those indirectly arising from its activities. 2020 Annual Corporate Governance Report	-	PwC assurance report
102-12 External initiatives	Society: Commitments to sustainable development: SDGs, Strategic alliances, Social action, Other partnerships Environmental matters: Climate change strategy, Influence of stakeholders Sustainability management: Inclusion in sustainability indexes	-	PwC assurance report
102-13 Membership of associations	Society: Commitments to sustainable development: SDGs Strategic alliances, Social action, Other partnerships Environmental matters: Climate change strategy, Biodiversity, Influence on stakeholders. Social and employee-related matters: Diversity management policies, Work-life balance.	-	PwC assurance report
GRI INDICATORS STRATEGY			
102-14 Statement from senior decision-maker	Letter from the Chairman	-	PwC assurance report
102-15 Key impacts, risks and opportunities	Business model Risk management Sustainability management Environmental matters Society: Commitments to sustainable development Anti-corruption Human rights	-	PwC assurance report

	Location in the Non-Financial Statement	Omission	External assurance
GRI INDICATORS ETHICS AND INTEGRITY			
102-16 Values, principles, standards and norms of behaviour	Risk management Sustainability management Environmental matters Society: Commitments to sustainable development Anti-corruption Human rights Social and employee-related matters	-	PwC assurance report
102-17 Mechanisms for advice and concerns about ethics	Fight against corruption: Professional ethics Social and employee-related matters: Equality plans	-	PwC assurance report
GRI INDICATORS GOVERNANCE			
102-18 Governance structure	2020 ACGR: committees, Board of Directors	-	PwC assurance report
102-19 Delegating authority	Sustainability Committee Appointments and Corporate Governance Committee	-	PwC assurance report
102-20 Executive-level responsibility for economic, environmental and social topics	Sustainability Committee Appointments and Corporate Governance Committee	-	PwC assurance report
102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainability management: Dialogue with stakeholders and materiality analysis Sustainability Committee Appointments and Corporate Governance Committee	-	PwC assurance report
102-22 Composition of the highest governance body and its committees	2020 ACGR: committees, Board of Directors	-	PwC assurance report
102-23 Chair of the highest governance body	2020 ACGR: committees, Board of Directors	-	PwC assurance report
102-24 Nominating and selecting the highest governance body	2020 ACGR: committees, Board of Directors. 4.4 Director selection, 4.5 Appointment, re-election and removal of directors	-	PwC assurance report
102-25 Conflicts of interest	2020 Annual Corporate Governance Report. Recommendations 23 and 50.	-	PwC assurance report
102-26 Role of highest governance body in setting purpose, values, and strategy	Sustainability management Sustainability Committee Appointments and Corporate Governance Committee Annual Corporate Governance Report 2020	-	PwC assurance report
102-27 Collective knowledge of highest governance body	Sustainability Management Environmental matters: Climate change strategy Human rights Sustainability Committee Appointments and Corporate Governance Committee 2020 Annual Corporate Governance Report	-	PwC assurance report
102-28 Evaluating the highest governance body's performance	2020 Annual Corporate Governance Report: Recommendations 33 and 36. 4.12. Assessment of the Board and its committees	-	PwC assurance report
102-29 Identifying and managing economic, environmental, and social impacts	Risk management Sustainability management Environmental matters Society: Commitments to sustainable development Human rights Sustainability Committee Appointments and Corporate Governance Committee 2020 Annual Corporate Governance Report	-	PwC assurance report

	Location in the Non-Financial Statement	Omission	External assurance
102-30 Effectiveness of risk management processes	Risk management Society: Tax practices and profits 2020 Annual Corporate Governance Report: Risk Committee 6. Risk control systems	-	PwC assurance report
102-31 Review of economic, environmental, and social topics	Sustainability Policy Sustainability Committee 2020 Annual Corporate Governance Report	-	PwC assurance report
102-32 Highest governance body's role in sustainability reporting	Sustainability Committee Appointments and Corporate Governance Committee Board of Directors	-	PwC assurance report
102-33 Communicating critical concerns	Sustainability Policy Sustainability Committee 2020 Annual Corporate Governance Report	-	PwC assurance report
102-34 Nature and total number of critical concerns	Sustainability Policy Sustainability Committee 2020 Annual Corporate Governance Report	-	PwC assurance report
102-35 Remuneration policies	Remuneration policy 2020 ACGR Remuneration Committee	-	PwC assurance report
102-36 Process for determining remuneration	Remuneration policy 2020 ACGR Remuneration Committee	-	PwC assurance report
102-37 Stakeholders' involvement in remuneration	Sustainability Management 2020 Annual Corporate Governance Report	-	PwC assurance report
102-38 Annual total compensation ratio	Social and employee-related matters: Total remuneration	-	PwC assurance report
102-39 Percentage increase in annual total compensation ratio	Social and employee-related matters: Total remuneration	-	PwC assurance report

GRI INDICATORS STAKEHOLDER ENGAGEMENT

102-40 List of stakeholder groups	Sustainability management	-	PwC assurance report
102-41 Collective bargaining agreements	Social and employee-related matters: Collective bargaining agreements, Trade union representation	-	PwC assurance report
102-42 Identifying and selecting stakeholders	Sustainability management	-	PwC assurance report
102-43 Approach to stakeholder engagement	Sustainability management	-	PwC assurance report
102-44 Key topics and concerns raised	Sustainability management	-	PwC assurance report

	Location in the Non-Financial Statement	Omission	External assurance
GRI INDICATORS REPORTING PRACTICE			
102-45 Entities included in the consolidated financial statements	Bankinter Group List of Bankinter Group companies in the consolidated financial statements (Ownership interest and tax situation)	-	PwC assurance report
102-46 Defining report content and topic boundaries	Introduction Sustainability management	-	PwC assurance report
102-47 List of material topics	Sustainability management	-	PwC assurance report
102-48 Restatements of information	Environmental matters: Notes to tables of environmental indicators - Consolidated financial statements, Note 2 (Accounting criteria applied)	-	PwC assurance report
102-49 Changes in reporting	The scope and boundary of each aspect indicated in the GRI content index.	-	PwC assurance report
102-50 Reporting period	1 January 2020 - 31 December 2020	-	PwC assurance report
102-51 Date of most recent report	18 February 2020	-	PwC assurance report
102-52 Reporting cycle	Annual	-	PwC assurance report
102-53 Contact point for questions regarding the report	comunicación@bankinter.com sostenibilidadbk@bankinter.com Investor_Relations@bankinter.com	-	PwC assurance report
102-54 Claims of reporting according to the GRI Standards	Comprehensive Compliance Option	-	PwC assurance report
102-55 Index of GRI content	GRI index	-	PwC assurance report
102-56 External assurance	Bankinter's practice is to submit the Non-financial Statement to an independent auditor for review. In financial year 2020, this review was carried out by PricewaterhouseCoopers Auditores, S.L.	-	PwC assurance report

GRI THEMATIC CONTENT

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance																																				
Economic dimension																																										
GRI 201 Economic performance																																										
<ul style="list-style-type: none"> - Business strategy - Climate change and natural capital strategy - Corporate governance - People management 	Mixed	201	<p>Management approach</p> <p>Business model Risk management 2020 Integrated Annual Report Results chapter Presentation of results (January 2021)</p>	Bankinter Group	-	PwC assurance report																																				
		201-1	<p>Direct economic value generated and distributed</p> <table border="1"> <thead> <tr> <th>201-1- BANKINTER (1)</th> <th>2020</th> <th>2019 (6)</th> </tr> </thead> <tbody> <tr> <td>Economic value generated (2)</td> <td>1,691,676</td> <td>1,638,205</td> </tr> <tr> <td>Gross operating income</td> <td>1,709,040</td> <td>1,649,452</td> </tr> <tr> <td>Gains (losses) on the disposal of assets not classified as non-current assets held for sale</td> <td>-1,190</td> <td>283</td> </tr> <tr> <td>Gains (losses) on non-current assets held for sale not classified as discontinued operations</td> <td>-16,174</td> <td>-15,530</td> </tr> <tr> <td>Economic value distributed</td> <td>905,226</td> <td>1,207,596</td> </tr> <tr> <td>Staff expenses</td> <td>496,635</td> <td>861,811</td> </tr> <tr> <td>Other administration costs (except contributions and tax)</td> <td>293,573</td> <td>273,459</td> </tr> <tr> <td>Tax on profits and contributions and tax (3)</td> <td>116,497</td> <td>270,578</td> </tr> <tr> <td>Dividends charged to profit for the year (4)</td> <td>49,725</td> <td>263,199</td> </tr> <tr> <td>Social investment (5)</td> <td>3,792</td> <td>3,553</td> </tr> <tr> <td>Retained economic value (economic value generated less that distributed)</td> <td>786,450</td> <td>431,609</td> </tr> </tbody> </table> <p>(1) refers to Bankinter Group companies (2) Gross income plus net gains/losses in disposal of assets (3) Includes exclusively the expense for tax on profits and the contributions and taxes recorded in the year (4) Includes both distributed dividends and outstanding distributions charged to the income account (5) Includes social investment in terms of the LBG (London Benchmarking Group) methodology for all Group companies (6) In the preparation of the comparative income statement included in the 2020 financial statements, the income statement for December 2019 has been presented restated to recognise Linea Directa Aseguradora as a discontinued operation.</p>	201-1- BANKINTER (1)	2020	2019 (6)	Economic value generated (2)	1,691,676	1,638,205	Gross operating income	1,709,040	1,649,452	Gains (losses) on the disposal of assets not classified as non-current assets held for sale	-1,190	283	Gains (losses) on non-current assets held for sale not classified as discontinued operations	-16,174	-15,530	Economic value distributed	905,226	1,207,596	Staff expenses	496,635	861,811	Other administration costs (except contributions and tax)	293,573	273,459	Tax on profits and contributions and tax (3)	116,497	270,578	Dividends charged to profit for the year (4)	49,725	263,199	Social investment (5)	3,792	3,553	Retained economic value (economic value generated less that distributed)	786,450	431,609	Bankinter Group	-	PwC assurance report
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201-2	<p>Financial implications and other risks and opportunities due to climate change</p> <p>Climate change risk management. Non-financial risk management: environmental risks Emerging risks: climate risk. Environmental matters: Climate change strategy. Risks and Opportunities Module of the 2020 CDP Questionnaire.</p>	Bankinter Group	-	PwC assurance report																																						
201-3	<p>Defined benefit plan obligations and other retirement plans</p> <p>Consolidated financial statements Note 29 (Staff costs)</p>	Bankinter Group	-	PwC assurance report																																						
201-4	<p>Financial assistance received from government</p> <p>Society: Tax practices and benefits. No significant assistance has been received from the Public Administrations (see section F of the Annual Banking Report). Tax rebates and deductions are detailed in notes 18 and 44 of the consolidated financial statements.</p>	Bankinter Group	-	PwC assurance report																																						
GRI 202 Market presence																																										
<ul style="list-style-type: none"> - People management - Ethics - Corporate governance 	Internal	202	<p>Management approach</p> <p>Social and employee-related matters</p>	Bankinter Group	-	PwC assurance report																																				
		202-1	<p>Ratio of standard entry level wages by gender compared to local minimum wage</p> <p>Social and employee-related matters: Total remuneration Calculated taking into account fixed remuneration.</p>	Bankinter Group	-	PwC assurance report																																				
		202-2	<p>Proportion of senior management hired from the local community</p> <p>100% of the board members come from the local community.</p>	Bankinter Group	-	PwC assurance report																																				

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 203: Indirect economic impacts							
- Relations with the community	External	203	Management approach	Society: Commitments to sustainable development	Bankinter Group	-	PwC assurance report
		203-1	Infrastructure investments and services supported	Society: Commitments to sustainable development (SDG table, Sustainable investment and financing practices and Sustainable products) Society: Social investment, Strategic alliances and the COVID-19 crisis	Bankinter Group	-	PwC assurance report (1)
		203-2	Significant indirect economic impacts	Society: Commitments to sustainable development (SDG table, Sustainable investment and financing practices and Sustainable products) Society: Social investment, Strategic alliances and the COVID-19 crisis	Bankinter Group	-	PwC assurance report
GRI 204: Procurement practices							
- Supply chain management	Mixed	204	Management approach	Society: Subcontracting and suppliers	Bankinter Group	-	PwC assurance report
		204-1	Proportion of spending on local suppliers	At Bankinter, the proportion of spending on local suppliers was 95.76%. In LDA, 99%. In Avantcard, 66%.	Bankinter Group	-	PwC assurance report
GRI 205: Anti-corruption							
- Ethics - Corporate governance - People management - Customer relationship management	Mixed	205	Management approach	Fight against corruption and bribery	Bankinter Group	-	PwC assurance report
		205-1	Operations assessed for risks related to corruption	Fight against corruption and bribery: Internal Audit control, Professional ethics	Bankinter Group	-	PwC assurance report
		205-2	Communication and training about anti-corruption policies and procedures	Fight against corruption and bribery: AML training, Professional ethics	Bankinter Group	-	PwC assurance report
		205-3	Confirmed incidents of corruption and actions taken	Fight against corruption and bribery: Professional ethics	Bankinter Group	-	PwC assurance report
GRI 206: Anti-competitive behaviour							
- Ethics - Corporate governance - Customer relationship management	Mixed	206	Management approach	Fight against corruption and bribery	Bankinter Group	-	PwC assurance report
		206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No proceedings have been opened against Bankinter for anti-competitive behaviour, anti-trust or monopoly practices	Bankinter Group	-	PwC assurance report (3)

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 207: Taxation							
<ul style="list-style-type: none"> - Business strategy - Ethics - Corporate governance 	Mixed	207	Management approach	Tax practices Bankinter Group tax strategy	Bankinter Group	-	PwC assurance report
		207-1	Tax approach	Tax practices Bankinter Group tax strategy	Bankinter Group	-	PwC assurance report
		207-2	Tax governance, risk management and control	Tax practices Bankinter Group tax strategy 2020 Corporate Governance Report 2020 Notes 18 (Tax assets and liabilities) and 44 (Tax) of the consolidated financial statements	Bankinter Group	-	PwC assurance report
		207-3	Participation of stakeholders and management of concerns in tax matters	Tax practices Bankinter Group tax strategy 2020 Corporate Governance Report 2020 Notes 18 (Tax assets and liabilities) and 44 (Tax) of the consolidated financial statements	Bankinter Group	-	PwC assurance report
		207-4	Country-by-country reporting	Tax practices Notes 18 (Tax assets and liabilities) and 44 (Tax) of the consolidated financial statements	Bankinter Group	Information breakdown not available. It is being prepared for submission in 2021	PwC assurance report (1)
Environmental dimension							
GRI 301: Materials							
<ul style="list-style-type: none"> - Climate change and natural capital strategy 	Internal	301	Management approach	Environmental matters	Bankinter Group	-	PwC assurance report
		301-1	Materials used by weight or volume	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report
		301-2	Recycled input materials used	Environmental matters: Waste management	Bankinter Group	-	PwC assurance report
		301-3	Reclaimed products and their packaging materials	Immaterial indicator given Bankinter Group's activity	Bankinter Group	Not applicable	Not verified
GRI 302: Energy							

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance		
- Climate change and natural capital strategy	Internal	302	Management approach	Environmental matters	Bankinter Group	-	PwC assurance report	
		302-1	Energy consumption within the organisation	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
		302-2	Energy consumption outside of the organisation	Environmental matters: Carbon footprint External energy consumption is associated with information on Scope 3 of the carbon footprint, in relation to business trips, travel to work and the estimation of electricity consumption by customers.	Bankinter Group	-	PwC assurance report	
		302-3	Energy intensity	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
		302-4	Reduction of energy consumption	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
		302-5	Reduction in energy requirements of products and services	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
GRI 303: Water								
- Climate change and natural capital strategy	Internal	303	Management approach	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
		303-1	Interaction with water as a shared resource	Group Bankinter's headquarters are in an urban setting, so water is both consumed and discharged via the urban water network.	Bankinter Group	-	PwC assurance report	
		303-2	Management of impacts related to water discharges					
		303-3	Water extraction	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
		303-4	Water discharged	Bankinter Group's headquarters are in urban settings. The water captured is, therefore, discharged through the urban network				
		303-5	Water consumption	Environmental matters: Eco-efficiency indicators	Bankinter Group	-	PwC assurance report	
GRI 304: Biodiversity								
- Climate change and natural capital strategy	Mixed	304	Management approach	Environmental matters: biodiversity	Bankinter Group	-	PwC assurance report	
		304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Bankinter Group has its headquarters in urban land, so it has no impact on protected natural spaces and/or biodiversity.	Bankinter Group	Not applicable	Not verified	
		304-2	Significant impacts of activities, products, and services on biodiversity	Bankinter Group has its headquarters in urban land, so it has no direct impact on protected natural spaces and/or biodiversity. Significant indirect impacts of activities, products and services on biodiversity were not assessed in 2020.	Bankinter Group	-	PwC assurance report	

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
- Climate change and natural capital strategy	Mixed	304-3	Habitats protected or restored	Bankinter Group has its headquarters in urban land, so it has no impact on protected natural spaces and/or biodiversity.	Bankinter Group	Not applicable	Not verified
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations				
GRI 305: Emissions							
- Climate change and natural capital strategy	Mixed	305	Management approach	Environmental matters: Climate Change Strategy, Carbon Footprint	Bankinter Group	-	PwC assurance report
		305-1	Direct (Scope 1) GHG emissions	Environmental matters: Carbon footprint	Bankinter Group	-	PwC assurance report
		305-2	Indirect (Scope 2) GHG emissions from energy generation	Environmental matters: Carbon footprint	Bankinter Group	-	PwC assurance report
		305-3	Other indirect (Scope 3) GHG emissions	Environmental matters: Carbon footprint	Bankinter Group	-	PwC assurance report
		305-4	GHG emissions intensity	Environmental matters: Carbon footprint	Bankinter Group	-	PwC assurance report
		305-5	Reduction of GHG emissions	Environmental matters: Climate change strategy. Carbon footprint	Bankinter Group	-	PwC assurance report
		305-6	Emissions of ozone-depleting substances (ODS)	These substances do not occur in Group Bankinter's normal activity.	Bankinter Group	Not applicable	Not verified
		305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions	Given Bankinter Group's activity, no significant emissions of this kind are produced.	Bankinter Group	Not applicable	Not verified
GRI 306: Effluents and waste							
- Climate change and natural capital strategy	Internal	306	Management approach	Environmental matters: Waste management	Bankinter Group	-	PwC assurance report
		306-1	Water discharge by quality and destination	Bankinter Group captures and discharges water through the urban network. It is estimated that the quantity of water discharged is similar to that consumed, since there are no other waste generation processes.	Bankinter Group	-	PwC assurance report
		306-2	Waste by type and disposal method	Environmental matters: Waste management	Bankinter Group	-	PwC assurance report
		306-3	Significant spills	Bankinter Group has its headquarters in urban land and, because of its activity, it did not generate any significant spills in 2020.	Bankinter Group	-	PwC assurance report
		306-4	Transport of hazardous waste	Bankinter Group does not transport waste. The transport of waste produced at the Group's facilities is carried out by authorised operators and transporters.	Bankinter Group	-	PwC assurance report
		306-5	Water bodies affected by water discharges and/or runoff	Bankinter Group has its headquarters in urban land, so it has no impact on protected natural spaces and/or biodiversity.	Bankinter Group	Not applicable	Not verified

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 307: Environmental compliance							
- Climate change and natural capital strategy	Mixed	307	Management approach	Environmental matters: Introduction	Bankinter Group	-	PwC assurance report
		307-1	Non-compliance with environmental laws and regulations	No type of penalty or significant fines for non-compliance with environmental laws were received. Consolidated financial statements Note 38 (Sustainability information)	Bankinter Group	-	PwC assurance report (3)
GRI 308: Supplier environmental assessment							
- Supply chain management	Mixed	308	Management approach	Society: Subcontracting and suppliers	Bankinter Group	-	PwC assurance report
		308-1	New suppliers that were screened using environmental criteria	Sustainability management: Significant indicators Society: Subcontracting and suppliers	Bankinter Group	-	PwC assurance report
		308-2	Negative environmental impacts in the supply chain and actions taken	Given the type of supplier, no environmental impact assessments were carried out.	Bankinter Group	Not applicable	Not verified
SOCIAL DIMENSION							
GRI 401: Employment							
- People management	Internal	401	Management approach	Social and employee-related matters	Bankinter Group	-	PwC assurance report
		401-1	New employee hires and employee turnover	Social and employee-related matters: Selection	Bankinter Group	-	PwC assurance report
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social and employee-related matters: Corporate benefits, Pension scheme	Bankinter Group	-	PwC assurance report
		401-3	Parental leave	Social and employee-related matters: Work-life balance	Bankinter Group	-	PwC assurance report
GRI 402: Labour/management relations							
- People management	Internal	402	Management approach	Social and employee-related matters: Health and safety, Collective bargaining agreements, Union representation. Dialogue with employees	Bankinter Group	-	PwC assurance report
		402-1	Minimum notice periods regarding operational changes	The organisational changes that occur in the Group are analysed on a case-by-case basis to prevent or mitigate any potentially adverse impacts on employees. The reporting of organisational changes respects the legislation in force in this matter, namely: in Spain, the Workers' Statute and the Banking Collective Bargaining Agreement, the Insurance Collective Bargaining Agreement, the Offices Collective Bargaining Agreement, the Savings Banks Collective Bargaining Agreement, the Contact Center Collective Bargaining Agreement and the Consulting Companies Collective Bargaining Agreement; the "Acordo Coletivo de Trabalho do Sector Bancário" and "Lei Geral do Trabalho" in Portugal; and the Collective Bargaining Agreement for Bank Employees in Luxembourg.	Bankinter Group	-	PwC assurance report

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 403: Occupational health and safety							
- People management	Internal	403	Management approach	Social and employee-related matters: Health and safety, Health and Safety Committees 100% of the Group's workers and activities are covered by occupational health and safety management systems	Bankinter Group	-	PwC assurance report
		403-1	Occupational health and safety management system	Bankinter Group has occupational health and safety management systems that cover statutory OHS audits. Bankinter Portugal has a management system certified under the OHSAS 18001 standard.	Bankinter Group	-	PwC assurance report
		403-2	Hazard identification, risk assessment and accident investigation	Workplace risks are assessed by the Group's OHS departments. In the event of an accident, the causes are analysed and appropriate improvements are implemented.	Bankinter Group	-	PwC assurance report
		403-3	Occupational health services	Social and employee-related matters: Health and safety, Dialogue with employees, Health and Safety Committees	Bankinter Group	-	PwC assurance report
		403-4	Employee participation, consultation and communication on occupational health and safety	Social and employee-related matters: Health and safety, Dialogue with employees, Health and Safety Committees	Bankinter Group	-	PwC assurance report
		403-5	Employee training on occupational health and safety	Social and employee-related matters: Health and safety, Dialogue with employees. Annual training is provided in occupational risk prevention and safety at work	Bankinter Group	-	PwC assurance report
		403-6	Promoting employee health	Social and employee-related matters: Health and safety, Dialogue with employees. Corporate benefits. Annual training is provided in occupational risk prevention and safety at work.	Bankinter Group	-	PwC assurance report
		403-7	Prevention and mitigation of health and safety impacts on workers directly linked through commercial relationships	Indicator not applicable given Bankinter Group's activity	Bankinter Group	Not applicable	Not verified
		403-8	Workers covered by an occupational health and safety management system	Social and employee-related matters: Health and safety, Dialogue with employees, Health and Safety Committees. 100% of the Group's workers are covered by occupational health and safety management systems	Bankinter Group	-	PwC assurance report
		403-9	Occupational injuries	The number of deaths resulting from occupational accidents in 2020 was 0. Rates are calculated per million hours worked. The number of hours worked in 2020 was 14,587,831	Bankinter Group	-	PwC assurance report
- People management	Internal	403-10	Occupational diseases and illnesses	Social and employee-related matters: Health and Safety Committees. No occupations with an elevated risk of disease have been identified. The number of deaths from work-related illness or disease in 2020 was 0.	Bankinter Group	-	PwC assurance report

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 404: Training and education							
- People management	Internal	404	Management approach	Social and employee-related matters: Training and talent	Bankinter Group	-	PwC assurance report
		404-1	Average hours of training per year per employee	Social and employee-related matters: Training and talent	Bankinter Group	-	PwC assurance report
		404-2	Programmes for upgrading employee skills and transition assistance programmes	Social and employee-related matters: Training and talent	Bankinter Group	-	PwC assurance report
		404-3	Percentage of employees receiving regular performance and career development reviews	Social and employee-related matters: Training and talent	Bankinter Group	-	PwC assurance report
GRI 405: Diversity and equal opportunity							
- People management - Ethics - Corporate governance	Internal	405	Management approach	Social and employee-related matters: Equality plans and measures adopted to promote equal opportunities	Bankinter Group	-	PwC assurance report
		405-1	Diversity in governance bodies and employees	ACGR Board of Directors Social and employee-related matters: employees with disability Employee breakdown tables, Employees with a disability.	Bankinter Group	-	PwC assurance report
		405-2	Ratio of basic salary and remuneration of women to men	The ratio of basic salary of men to women is 1. Social and employee-related matters: Total remuneration	Bankinter Group	-	PwC assurance report
GRI 406: Non-discrimination							
- People management - Ethics	Mixed	406	Management approach	Human rights	Bankinter Group	-	PwC assurance report
		406-1	Incidents of discrimination and corrective actions taken	There were no significant incidents involving discrimination	Bankinter Group	-	PwC assurance report
GRI 407: Freedom of association and collective bargaining							
- People management - Ethics	Mixed	407	Management approach	Social and employee-related matters: Collective bargaining agreements, Trade union representation	Bankinter Group	-	PwC assurance report
		407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Group's operations are limited geographically to Europe and no significant risks related to these aspects were detected.	Bankinter Group	Not applicable	Not verified

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 408: Child labour							
- People management - Ethics	Mixed	408	Management approach	Human rights	Bankinter Group	-	PwC assurance report
		408-1	Operations and suppliers at significant risk for incidents of child labour	The Group's operations are limited geographically to Europe and no significant risks related to these aspects were detected.	Bankinter Group	Not applicable	Not verified
GRI 409: Forced or compulsory labour							
- People management - Ethics	Mixed	409	Management approach	Human rights	Bankinter Group	-	PwC assurance report
		409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	The Group's operations are limited geographically to Europe and no significant risks related to these aspects were detected.	Bankinter Group	Not applicable	Not verified
GRI 410: Security practices							
- People management - Ethics	Mixed	410	Management approach	As confirmed by the security companies working at Bankinter Group centres, 100% of employees are accredited to practise this profession. Bankinter Group ultimately guarantees the training, requirements, quality and formulas for hiring these professionals and services. Required courses include deontology and fundamental rights.	Bankinter Group	-	PwC assurance report
		410-1	Security personnel trained in human rights policies or procedures		Bankinter Group	-	PwC assurance report
GRI 411: Rights of indigenous peoples							
- People management - Ethics	Mixed	411	Management approach	The Group's operations are limited geographically to Europe and no significant risks related to these aspects were detected.	Bankinter Group	Not applicable	Not verified
		411-1	Incidents of violations involving rights of indigenous peoples				

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 412: Human rights assessment							
<ul style="list-style-type: none"> - People management - Ethics - Corporate governance - Business strategy - Customer relationship management 	Mixed	412	Management approach	Human rights	Bankinter Group	-	PwC assurance report
		412-1	Operations that have been subject to human rights reviews or impact assessments	Human rights: In 2020, 4% (14% in 2019) of transactions subject to sectoral policies with ESG criteria were rejected for failing to meet the non-financial criteria of the sectoral policies.	Bankinter Group	-	PwC assurance report
		412-2	Employee training on human rights policies or procedures	Human rights	Bankinter Group	Quantitative information is not available. Work is under way on the integration of the information systems to report on this in future years.	PwC assurance report (1)
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Bankinter Group operates mainly in Spain, Portugal and Ireland, which are OECD countries. It has analysed human rights risks without identifying any that are significant. Bankinter is also a signatory of the United Nations Global Compact. There were no significant investment agreements or contracts that included clauses of this type in 2020.	Bankinter Group	-	PwC assurance report

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 413: Local communities							
- Relations with the community	Mixed	413	Management approach	Society: Commitments to sustainable development, Social action Bankinter Innovation Foundation LDA Foundation	Bankinter Group	-	PwC assurance report
		413-1	Operations with local community engagement, impact assessments, and development programmes	Society: Commitments to sustainable development (SDGs, Social investment, Strategic alliances, Corporate volunteering) Social and employee-related matters: Accessibility Environmental matters: Environmental management system	Bankinter Group	-	PwC assurance report (1)
		413-2	Operations with significant actual and potential negative impacts on local communities	No significant negative impacts on local communities were identified. In 2020, Bankinter had one business centre and three private banking centres fewer than in 2019 (considering Spain and Portugal). Following its integration into Bankinter Group, two of EVO Banco's centres have been maintained in the network.	Bankinter Group	-	PwC assurance report
- Relations with the community	Mixed	FS13	Access points in low-populated or economically disadvantaged areas by type.	Social and employee-related matters: Accessibility Society: Commitments to sustainable development (SDGs, Social investment, Strategic alliances and Corporate volunteering)	Bankinter Group (except LDA)	-	PwC assurance report
		FS14	Initiatives to improve access to financial services for disadvantaged people.	Social and employee-related matters: Accessibility Society: Commitments to sustainable development (Strategic alliances, Corporate volunteering)	Bankinter Group (except LDA)	-	PwC assurance report
GRI 414: Evaluation of suppliers' labour practices							
- Supply chain management	Mixed	414	Management approach	No analysis of labour practice criteria at suppliers was conducted, since no significant risk was identified.	Bankinter Group	Not applicable	Not verified
		414-1	New suppliers that were screened using social criteria	Sustainability management: Significant indicators Society: Subcontracting and suppliers	Bankinter Group	-	PwC assurance report
		414-2	Negative social impacts in the supply chain and actions taken	Given the type of provider, a labour practice impact analysis has not been carried out.	Bankinter Group	Not applicable	Not verified

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 415: Public policy							
- Ethics - Business strategy	Mixed	415	Management approach	Code of Professional Ethics for Bankinter Group companies Bankinter Group Anti-Corruption Policy	Bankinter Group	-	PwC assurance report
		415-1	Political contributions	Group Bankinter does not contribute to any political party. (Article 17.2 of the Code of Ethics of Bankinter and Section 8 of the Rules of Conduct of the Code of Ethics of Línea Directa). Bankinter Group Anti-Corruption Policy	Bankinter Group	-	PwC assurance report
GRI 416: Customer health and safety							
- People management - Customer relationship management	Mixed	416	Management approach	Fight against corruption: Professional ethics Society: Quality Society: Customer Service Area	Bankinter Group	-	PwC assurance report
		416-1	Assessment of the health and safety impacts of product and service categories	Occupational risk assessments were carried out at all of the Bank's positions, including potential customer risks in the Bank's branches. Employment matters: Health and safety Fight against corruption: Professional ethics Society: Data protection	Bankinter Group	-	PwC assurance report (1)
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Bankinter Group did not have any significant incidents in this respect.	Bankinter Group	-	PwC assurance report (3)

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
GRI 417: Marketing and labelling							
- Customer relationship management	Mixed	417	Management approach	Non-financial risk management Fight against corruption: Professional ethics Society: Quality of service Society: Customer Service Area	Bankinter Group	-	PwC assurance report
		417-1	Requirements for product and service information and labelling	Fight against corruption: Institutional framework. The Products Committee reviews and approves the launch of all products and services offered to retail customers. The Bank has prepared for the entry into force of the new MIFID II, MIFIR and PRIIP regulations. LDA has a Products Committee and a product governance policy.	Bankinter Group	-	PwC assurance report (2)
		417-2	Incidents of non-compliance concerning product and service information and labelling	In 2020, a penalty notice was received for product information/marketing, with a value of 5.2 million euros	Bankinter Group	-	PwC assurance report (3)
		417-3	Incidents of non-compliance concerning marketing communications	No cases of non-compliance concerning marketing communications were reported in 2020.	Bankinter Group	-	PwC assurance report (3)
		FS15	Policies for the fair design and sale of financial products and services	Risk management: Risk management principles Fight against corruption: Institutional framework Society: Commitments to sustainable development (Sustainable investment practices and finance, Sustainable products)	Bankinter Group (except LDA)	-	PwC assurance report
		FS16	Initiatives to enhance financial literacy by type of beneficiary	Society: Commitments to sustainable development (strategic alliances, corporate volunteering) Social and employee-related matters: Accessibility and financial inclusion.	Bankinter Group (except LDA)	-	PwC assurance report
GRI 418: Customer privacy							
- Customer relationship management	Mixed	418	Management approach	Society: Data protection Fight against corruption	Bankinter Group	-	PwC assurance report
		418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Bankinter Group did not receive any significant penalties with regard to data protection	Bankinter Group	-	PwC assurance report (3)
GRI 419: Socioeconomic compliance							
- Customer relationship management - Ethics - Corporate governance	Mixed	419	Management approach	Fight against corruption Human rights	Bankinter Group	-	PwC assurance report
		419-1	Non-compliance with laws and regulations in the social and economic area	In 2020, a penalty notice was received with regard to AML with a value of 3.9 million euros.	Bankinter Group	-	PwC assurance report (3)

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
FINANCIAL SUPPLEMENT							
PRODUCT PORTFOLIO							
<ul style="list-style-type: none"> - Customer relationship management - Community relations - Climate change and natural capital strategy 	Mixed		Sustainability management: Strategy in the "Three in a Row" Plan Society: Commitment to sustainable development (Sustainable financing and investment practices)	Bankinter Group (except LDA)	-	PwC assurance report	
			Procedures for assessing and screening environmental and social risks in business lines	Risk analysis procedures include all those that are significant from the credit risk viewpoint. Climate change risk management. Non-financial risk management (environmental risks, social risks, human rights risks) Emerging risks: climate risk Environmental matters: Climate change strategy	Bankinter Group (except LDA)	-	PwC assurance report
		G4-DMA	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	Society: Commitment to sustainable development (Sustainable financing and investment practices)	Bankinter Group (except LDA)	-	PwC assurance report
			Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	Social and employee-related matters: Training and talent Human rights Environmental matters: Influence on stakeholders	Bankinter Group (except LDA)	-	PwC assurance report
			Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	Society: Commitment to sustainable development (Sustainable investment practices, Sustainable products) Environmental matters: Climate change strategy	Bankinter Group (except LDA)	-	PwC assurance report
		FS6	Percentage of the portfolio by lines of business by region, size (for example: micro companies/SMEs/large) and sector of activity	Business model Integrated Annual Report 2020: Results Presentation of results (January 2021)	Bankinter Group	-	PwC assurance report
		FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Commitment to sustainable development (Sustainable financing and investment practices. Sustainable products)	Bankinter Group (except LDA)	The share by business line is not included	PwC assurance report (1)
		FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Commitment to sustainable development (Sustainable financing and investment practices. Sustainable products)	Bankinter Group (except LDA)	The share by business line is not included	PwC assurance report (1)

Material topics identified	Material topic boundaries	Indicator	Location in the 2020 report	Scope	Omission	External assurance	
AUDIT							
- Climate change and natural capital strategy - Business strategy - Corporate governance	Internal	G4-DMA	Management approach	The Internal Audit area participates annually in the audits carried out to evaluate the Bank's environmental management and accessibility systems. In addition, it performs an annual audit on the Integrated Annual Report and the non-financial statement, which reports all information related to the Sustainability Plan, Sustainability Policy and management of environmental and social aspects by the entity.	Bankinter Group (except LDA)	-	PwC assurance report
		FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures		Bankinter Group (except LDA)	-	PwC assurance report
ACTIVE OWNERSHIP							
- Business strategy - Climate change and natural capital strategy - Corporate governance	Internal	G4-DMA	Management approach	Sustainability management. Commitments to sustainable development (Sustainable investment practices, Sustainable products)	Bankinter Group (except LDA)	-	PwC assurance report
		FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	Sustainability management. Commitments to sustainable development (Sustainable investment practices, Sustainable products)	Bankinter Group (except LDA)	Quantitative information is not available. Work is underway to gather this information to report it in future periods.	PwC assurance report (1)
		FS11	Percentage of assets subject to positive or negative environmental or social screening	Sustainability management. Commitments to sustainable development (Sustainable investment practices, Sustainable products)	Bankinter Group (except LDA)	Quantitative information is not available. Work is underway to gather this information to report it in future periods.	PwC assurance report (1)
		FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote or advise on voting	No voting policy is in place regarding social or environmental issues for entities over which the organisation holds the right to vote or advise on voting.	Bankinter Group (except LDA)	-	PwC assurance report

Notes:

1. Only qualitative information is reported.
2. Detailed information is not provided on each type of product and service.
3. Final penalty notices for claims of any nature and above a 50,000 euros threshold are reported.
4. Final penalty notices for claims of any nature and above a 30,000 euros threshold are reported.

Annex III: Independent assurance report



Bankinter, S.A. and subsidiaries

Independent verification report
Non-Financial Information Statement
31 December 2020



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent verification report

To the shareholders Bankinter, S.A.:

Pursuant to Article 49 of the Code of Commerce, we have verified, under a limited assurance scope, the accompanying 2020 Consolidated Non-Financial Information Statement (hereinafter "CNFIS") for the year ended 31 December 2020 of Bankinter, S.A. (the Parent company) and subsidiaries (hereinafter "Bankinter") which forms part of Bankinter's Consolidated Management's Report.

The content of the CNFIS includes additional information to that required by current commercial legislation on non-financial information reporting which has not been covered by our verification work. In this respect, our work has been restricted solely to verifying the information identified in the Annex I: "Requirements of Law 11/2018 regarding non-financial and diversity information" and in the Annex II: "2020 GRI Index" of the accompanying CNFIS.

Responsibility of the directors of the Parent company

The preparation of the CNFIS included in Bankinter's Consolidated Management's Report and the content thereof are the responsibility of the directors of Bankinter, S.A. The CNFIS has been drawn up in accordance with the provisions of current commercial legislation and with the *Sustainability Reporting Standards of the Global Reporting Initiative* (hereinafter "GRI Standards") in accordance with the Comprehensive option, in line with the details provided for each matter in the Annex I: "Requirements of Law 11/2018 regarding non-financial and diversity information" and in the Annex II: "2020 GRI Index" of the aforementioned CNFIS.

This responsibility also includes the design, implementation and maintenance of the internal control that is considered necessary to ensure that the CNFIS is free from material misstatement, due to fraud or error.

The directors of Bankinter, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the CNFIS is obtained.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA") which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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Inscrita en el R.O.A.C. con el número 50242 - CIF: B-79 031290



Our firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore has in place a global quality control system, in place which includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team has been formed by professionals specialized in Non-Financial Information reviews and specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance verification report based on the work carried out. Our work has been aligned with the requirements set by the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for verification engagements on non-financial statements issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in terms of their nature and timing of execution, and are more restricted than those carried out in a reasonable assurance engagement. Accordingly, the assurance obtained is substantially lower.

Our work has consisted in posing questions to management and several Bankinter, S.A. units that were involved in the preparation of the CNFIS, in the review of the processes for compiling and validating the information presented in the CNFIS, and in the application of certain analytical procedures and review sampling tests, as described below:

- Meetings with Bankinter, S.A. personnel to ascertain the business model, policies and management approaches applied and the main risks related to these matters and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the contents included in the CNFIS for 2020, based on the materiality analysis carried by Bankinter and described in "Sustainability management" section and considering the content required under current commercial legislation.
- Analysis of the procedures used to compile and validate the information presented in the CNFIS for 2020.
- Review of information concerning risks, policies and management approaches applied in relation to material issues presented in the CNFIS for 2020.
- Verification, through sample testing, of the information relating to the content of the CNFIS for 2020 and its adequate compilation using data supplied by Bankinter's information sources.
- Obtainment of a management representation letter from the directors and the management of the Parent company.



Conclusions

Based on the procedures performed in our verification and the evidence we have obtained, no matters have come to our attention which may lead us to believe that the CNFIS of Bankinter, S.A. and its subsidiaries for the year ended 31 December 2020 has not been prepared, in all of their significant matters, in accordance with the provisions of current commercial legislation and with the GRI Standards in accordance with the Comprehensive option, in line with the details provided for each matter in the Annex I: "Requirements of Law 11/2018 regarding non-financial and diversity information" and in the Annex II: "2020 GRI Index" in the accompanying CNFIS.

Use and distribution

This report has been drawn up in response to the requirement laid down in current Spanish commercial legislation and therefore might not be suitable for other purposes or jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by
Ramon Abella Rubio

23 February 2021

