

# Non-Financial Information Statement

for the year ended 31 December 2023

**wi  
zink**

Un banco.  
Infinitas posibilidades



1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	Business model	Risk Management	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix



# Content

<b>1. Introduction</b>	<b>3</b>		
<b>2. Materiality study and ESG strategy</b>	<b>5</b>		
2.1. Introduction and Methodology	6		
2.2. Conclusions and changes regarding the previous matrix	6		
2.3. ESG Strategy [Environmental, Social & Governance]	7		
ESG Strategy	7		
WiZink strengths and progress in 2023	9		
Contribution to Sustainable Development Goals	10		
<b>3. Business Model</b>	<b>11</b>		
3.1. Board of Directors	12		
3.2. Corporate structure	17		
3.3. Objectives and strategy	18		
3.4. Business environment, trends and regulation	20		
Consumer Finance/ revolving credit market	20		
Market Regulation	22		
<b>4. Risk Management</b>	<b>25</b>		
4.1. Key elements in Risk Management and Control	26		
4.2. Risk management governance	35		
<b>5. Fighting corruption and bribery</b>	<b>36</b>		
5.1. Mitigation of the risk of money laundering and terrorist financing	38		
5.2. Code of conduct and internal whistleblowing channel	39		
5.3. Other policies in support of the Code of Conduct	41		
<b>6. Social and staff-related issues</b>	<b>42</b>		
6.1. Employment	43		
6.2. Remuneration	47		
6.3. Organisation of work	48		
6.4. Health and safety	49		
		6.5. Corporate Relations	56
		Dialogue, consultation and engagement with employees	56
		Collective bargaining agreements	56
		6.6. Training	57
		6.7. Universal accessibility	58
		6.8. Diversity & Gender Equality	58
		<b>7. Commitment to society</b>	<b>59</b>
		7.1. Company commitment to sustainable development	60
		Social Investment Projects	60
		Volunteer Program	61
		WiZinkCenter Sponsorship	61
		7.2. Subcontractors and suppliers	62
		7.3. Customers	63
		Complaints management	63
		Customer safety measures	64
		- Help customers in managing their finances	64
		- Fraud Prevention	65
		- Free Insurance	65
		- Mobile Payments	65
		7.4. Tax information	66
		<b>8. Respect for human rights</b>	<b>67</b>
		<b>9. Environmental matters</b>	<b>69</b>
		9.1. Sustainable use of resources	70
		9.2. Economía circular	72
		<b>10. UE Taxonomy</b>	<b>73</b>
		<b>11. Appendix: Table linking the requirements of Law 11/2018 and GRI indicators</b>	<b>81</b>



# 1. Introduction



1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	Business model	Risk Management	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix



## 1. Introduction

This non-financial information statement was issued as required by Spanish Non-Financial Information and Diversity Law 11/2018, of December 28th, amending the Spanish Commercial Code, the Consolidated Spanish Limited Liability Companies Law approved by Legislative Royal Decree 1/2010, of July 2nd, and Spanish Audit Law 22/2015, of July 20<sup>th</sup>, regarding non-financial information and diversity.

This document refers to the business activities of WiZink Bank, S.A.U. and companies comprising the Group ["WiZink" or "the Company"]. Global Reporting Initiative's [GRI] sustainability reporting guidelines, were used as the reporting standard for the preparation of this non-financial information statement, following the principles and content defined in their latest version, the GRI Standards.





1	2	3	4	5	6	7	8	9	10	11
Introduction	<b>Materiality study and ESG strategy</b>	Business model	Risk Management	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____



## 2. Materiality study and ESG strategy



## 2. Materiality study and ESG strategy

### 2.1. Materiality study results

WiZink conducted a materiality study in 2023 to identify and prioritize relevant topics in ESG (Environmental, Social, and Governance), updating the study carried out in 2021. Following the guidelines of the new European directive on Corporate Sustainability Information [CSRD, for its acronym in English], this new study was carried out with a double materiality perspective:

- Financial materiality: impact of ESG issues on the company's financial results.
- Impact materiality: importance of ESG issues for the company's stakeholder groups.

In this sense, WiZink's stakeholder groups are as follows:

- Shareholders and Investors
- Directors
- Senior Management
- Employees
- Suppliers
- Partners and Merchants
- Customers
- Consumers

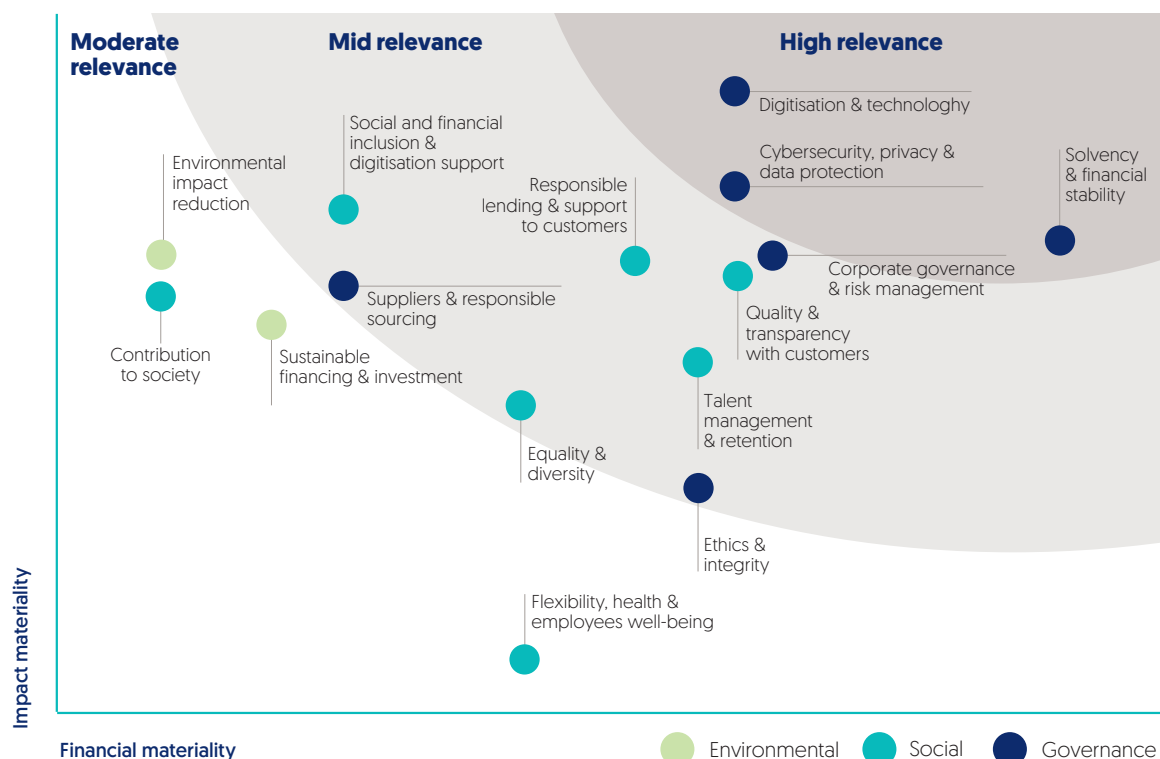
Starting from the study carried out in 2021, the situation of the entity and the major market trends in recent years were analysed to update the list of material topics for WiZink.

The study carried out is a first exercise towards the double materiality proposed by the CSRD. In 2024, this exercise will be deepened and reported according to the requirements

demanding by this directive applicable in 2024. This process included conducting direct online surveys to all stakeholder groups to gather their opinion on the different topics (more than 1,000 consultations carried out).

### 2.2. Conclusions and changes regarding the previous matrix

The result of this study has allowed us to have a materiality matrix with the 15 most relevant topics for WiZink:



Regarding the previous matrix, the following changes have been observed:

- The topics “Sustainable financing and investment” and “Social and financial inclusion and digitisation support” emerge.
- “Training and professional development” was incorporated into “Talent management and retention”.
- “Transparency and integrity”, “Clear language and simple communication” and “Efficiency, quality and agility with customers” merged into “Quality and transparency with customers”.
- “Corporate governance” and “Risk management and regulatory compliance” merged into “Corporate governance and risk management”.
- “Brand and reputation” was replaced by “Ethics and integrity”.

The following conclusions were drawn:

- “Digitalization and technology” and “Cybersecurity, privacy and data protection”, two topics on which WiZink is already focusing, increased their importance to be among the three most relevant for the entity.
- Social issues linked to customers and employees continue to have medium relevance, with the exception of “Flexibility, health and employees well-being” which loses importance once the COVID-19 health emergency is over.
- “Social and financial inclusion and support in digitization”, a new topic closely linked to WiZink’s ESG strategy, is among the most relevant for stakeholder groups.
- Environmental issues increase their importance for stakeholder groups but continue to have moderate relevance due to the reduced financial impact for WiZink.

## 2.3. ESG Strategy (Environmental, Social and Governance)

### ESG Strategy

WiZink’s ESG strategy was redefined in 2021 and remains fully in force, having made significant progress in its implementation during 2022 and 2023.

WiZink considers that all ESG elements are relevant, but as a consumer finance entity that works to boost people’s financial possibilities, WiZink believes it can provide distinctive value in social aspects. These social aspects are where it can contribute the most through initiatives to support customers, employees, and society in general. All this while still contributing with the conservation of the environment and securing good governance practices.

Under these premises, WiZink has as a theme to guide its ESG strategy “digital skills to avoid social and financial exclusion”. As a digital bank, WiZink intends to help people improve their digital skills so that they translate into tools to avoid social and financial exclusion, as there is a high positive correlation between the use of digital media and financial knowledge.

Setting this major theme as a guide, WiZink’s ESG strategy is supported by 5 strategic priorities:

- Enable customers to access credit while promoting responsible lending practices, supporting clients in their financial management and using clear language and simple communication.
- Empower employees guaranteeing equal opportunities and fostering learning and professional development.
- Collaborate with society supporting the development of local communities in need.
- Reduce corporate footprint to contribute to climate-neutral international targets.

- Embed ESG in the organization with adequate governance.

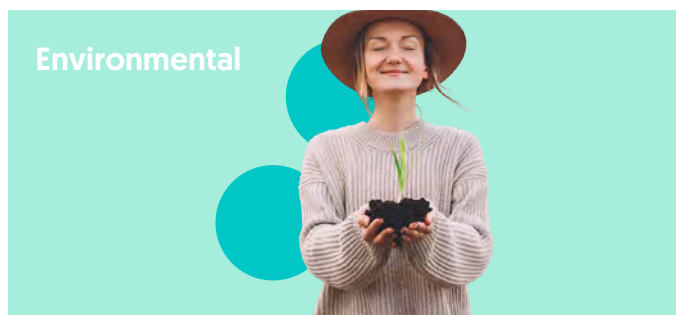
According to the materiality analysis performed, these 5 strategic priorities are related to issues that are relevant to WiZink’s stakeholders as well as to the business.





## WiZink strengths and progress in 2023

The implementation of the initiatives in 2023 ESG plan, along with its strengths, have enabled WiZink to continue to reinforce its positioning in each ESG area:



- Significant reduction of the ecological footprint, reaching well above the objectives established for 2025<sup>1</sup>:
  - 70% reduction of the CO<sub>2</sub><sup>2</sup> emissions in 2023, compared to the 35% goal for 2025.
  - An 56% reduction in electricity consumption in 2023, compared to the goal of 20% for 2025.
  - 77% de reduction in paper consumption in 2023, compared to the 30% goal for 2025.
- Increased financing with ESG purposes through eco loans [4,9M€ of credit issued in 2023] and educational loans [0,5M€ credit issued in 2023].
- Use of recycled plastic in all new credit cards and renewals.



- Developed a volunteering corporate programs::
  - School year 2022/2023: help students increase their digital skills in Lisbon, 28 WiZink volunteers and 280 students benefited.
  - School year 2023/2024: program to offer real work experience to students in Madrid (12 volunteers and 20 students benefited) and program to promote financial education of students in Lisbon (6 volunteers and 350 students benefited). During the rest of the course, volunteer actions will continue to be carried out in both Madrid and Lisbon.
- Development of a corporate project aimed at improving transparency and knowledge of credit cards by customers, as well as promoting responsible credit.
- Collaborated with 4 NGOs in Madrid and Lisbon to promote the labour integration of vulnerable people, having donated over €20,000 through different initiatives.
- Renewal of WiZink as a member of the United Nations Global Compact.
- 45.2% of women in management and senior management positions.



- Incorporation of ESG criteria in supplier selection processes.
- Analysed the impact of risks derived from climate change and environmental deterioration, concluding that they are not relevant for WiZink.
- Incorporation of the ESG plan in the corporate goals both of the management and the whole entity.
- 99% of customer complaints resolved in less than one month.

During 2024, WiZink plans to continue advancing in the implementation of its ESG strategy, continuing with many of the initiatives already started in 2023 and carrying out new ones. In this way, WiZink hopes to continue contributing to the creation of a fair, sustainable, and responsible society.

<sup>1</sup> Reduction targets considering 2019 as a base year  
<sup>2</sup> Scope 1 (gas, gasoline, diesel) and scope 2 emissions (electric power)  
 Detail in section 7.3 Clients: Help customers in managing their finances

## Contribution to Sustainable Development Goals



4 Sustainable Development Goals to which WiZink contributes most:



As a consumer finance entity, WiZink intends to enable households to access credit, while promoting responsible lending practices.



WiZink guarantees equal opportunities among its employees, with one of the highest ratios of women in management positions in the banking industry.



WiZink develops initiatives to help people improve their digital capabilities, which will translate into opportunities to avoid social and financial exclusion.



WiZink has set targets to reduce its corporate footprint and considers environmental factors in its processes and operations.



1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	<b>Business model</b>	Risk Management	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____



# 3. Business model



## 3. Business Model

WiZink is the on-line bank expert in consumer finance in Spain and Portugal. It offers its clients a wide range of personalized, simple, transparent and digital financing solutions, as well as savings products that seek to boost people's financial potential in a sustainable, responsible and realistic way. With more than 1.7 million customers, WiZink wants to be a leader in consumer finance in the Iberian Peninsula in the digital field, with mobile phone as the main channel of interaction with its customers.

In line with its intention to explore new opportunities for business development, in 2018 WiZink acquired 100% of the Spanish instant online credit start-up Aplazame, S.L.U. and in 2021 acquired 100% of the Spanish digital startup for financing the acquisition of second-hand vehicles Lendrock Spain, S.L. In 2022, both companies were absorbed by WiZink.

The WiZink Group, with head office in Madrid, is subject to the supervision of both the Bank of Spain and the Bank of Portugal. WiZink is wholly owned by Aneto S.à.r.l. [majority controlled by Vårde Group].

WiZink's corporate policy is based on four core values: innovation, collaboration, responsibility and execution. Those values serve as an inspiration and guide not only for the executive team, but for everyone across the organization, and are aligned with our strategic priorities in ESG.

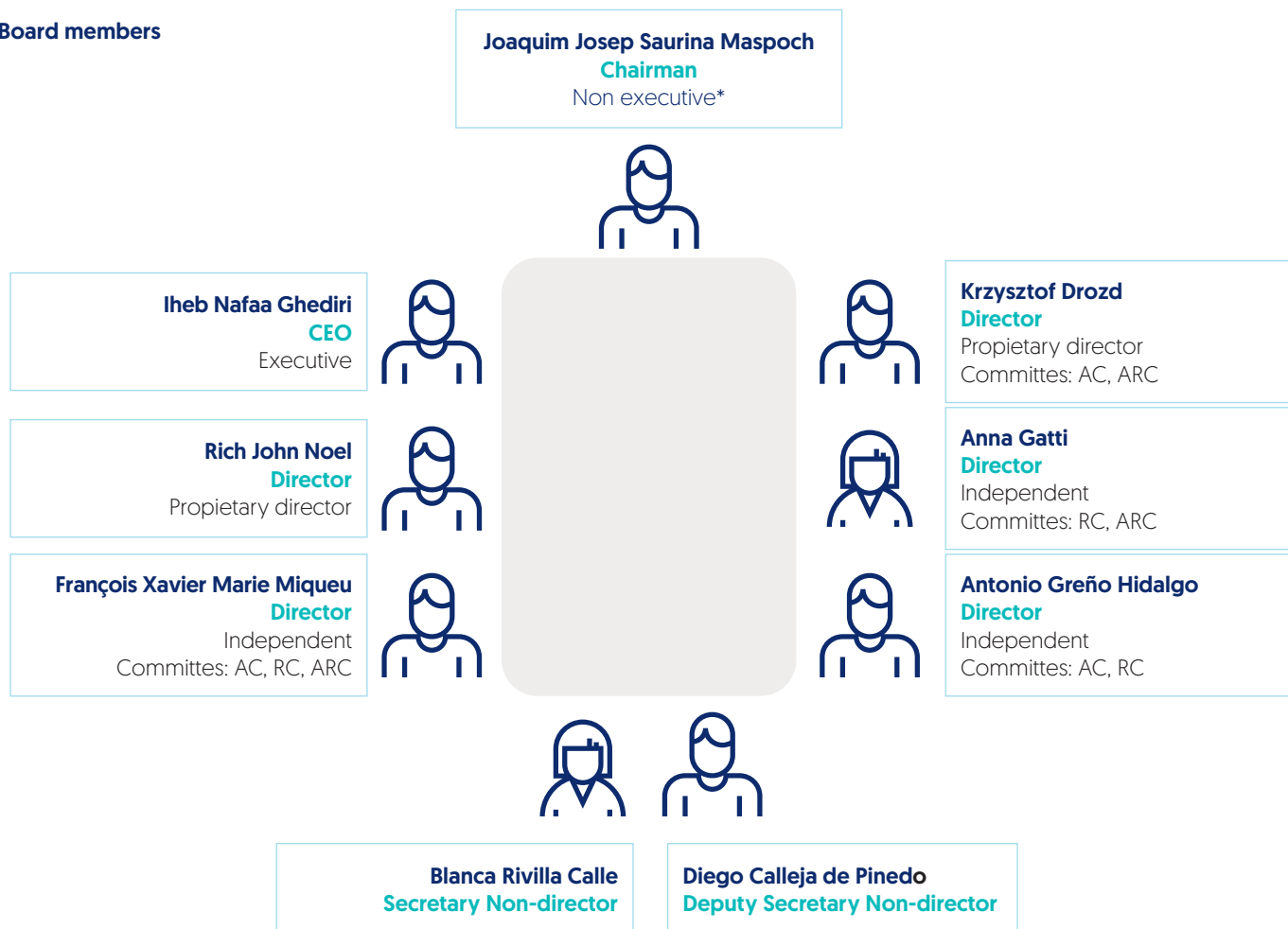
### 3.1. Board of Directors

WiZink's highest governance body is the Board of Directors [the "Board"], which composition and role are based on compliance with the provisions established in Article 29 of Act 10/2014, of 26 June, on the arrangement, supervision and solvency of credit institutions [hereinafter, "LOSSEC"] and Article 37 of Royal Decree 84/2015, of 13 February, implementing Act 10/2014, of 26 June, on the arrangement, supervision and solvency of credit institutions [hereinafter, "ROSSEC"] as well as other applicable national regulations. In addition to this, it is in line with best market practices established in the EBA [European Banking Authority] Guidelines on Internal Governance, ESMA [European Securities and Markets Authority] Guidelines and the Joint ESMA and EBA Guidelines, on the assessment of the suitability management body members and key function holders.

WiZink's Board of Directors carries out all the tasks assigned to it under LOSSEC and ROSSEC. It is also the body in charge of establishing strategic objectives, as well as the Company's risk strategy and internal governance model. The Board also has three advisory committees that complement and support its activity. The three committees [Audit Committee [AC], Risk Committee [RC] and Appointments and Remuneration Committee [ARC]], are chaired by independent directors.

WiZink's Board has its management powers delegated in the Chief Executive Officer. At the same time, there is an Executive Committee to assist the Chief Executive Officer in the performance of his duties within the bounds of his authority. The Executive Committee members assigned internal control duties [Risk and Compliance] report directly to the Risk Committee. In turn, the Head of Internal Audit reports to the Audit Committee.

## Board members



WiZink has in place a procedure to assess the suitability of the members of the Board of Directors and key management personnel. The assessment is entrusted to the Board of Directors, with the assistance of the Appointments and Remuneration Committee and the Board Secretary.

The directors and key management personnel must meet the suitability requirements, as defined in the regulatory requirements and the EBA guidelines. Furthermore, they must act consistently with WiZink's corporate values.

Moreover, they must have a strategic vision [in line with their responsibilities] and bring relevant experience in executive positions, thorough knowledge of the industry as well as planning, management and have enough time to dedicate to the position.

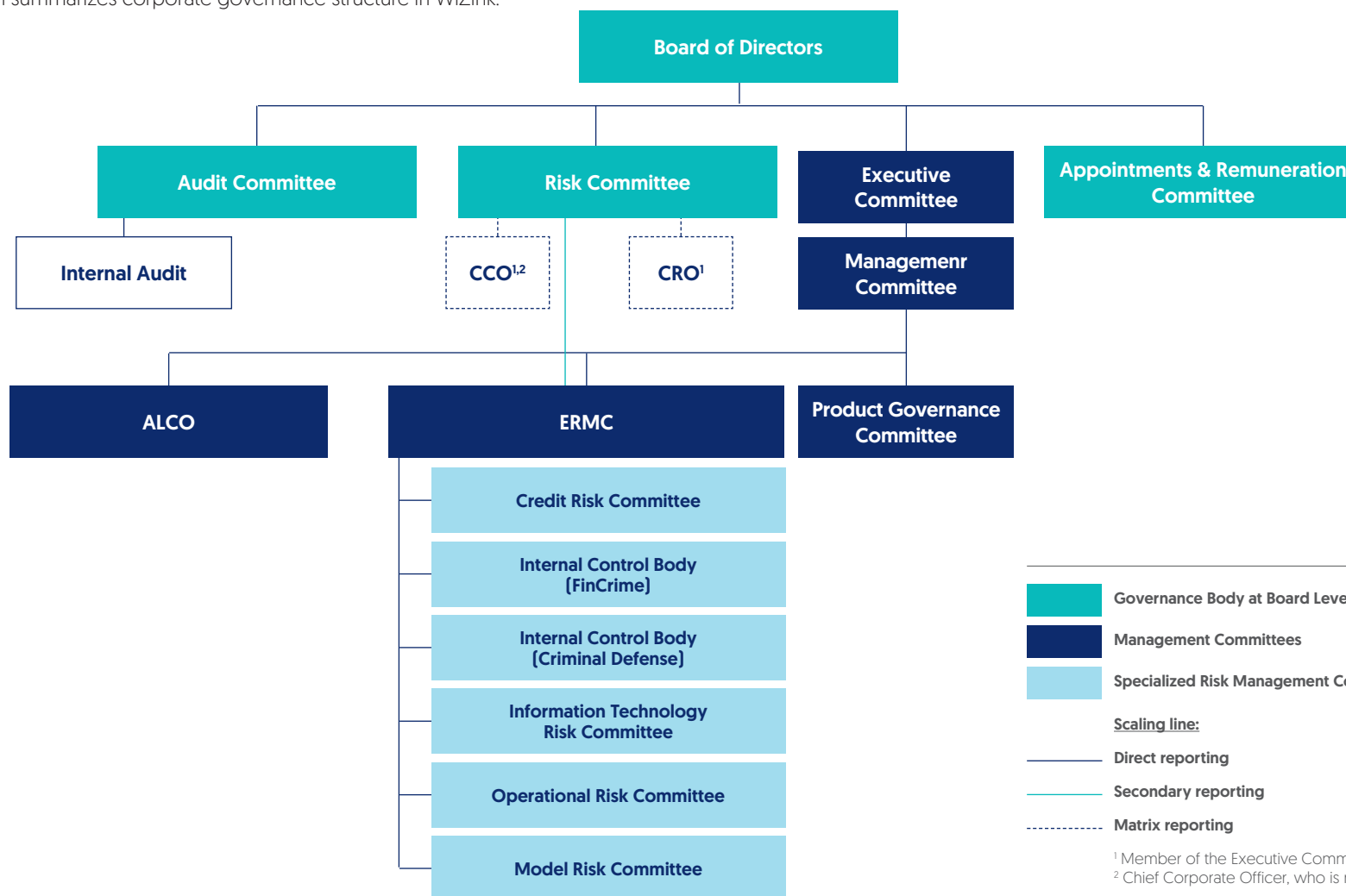
During 2023, the director Anna Gatti has worked as head of ESG within the Board of Directors.

\* Mr. Saurina has been classified as "other external directors" instead of as an independent director, considering the provisions of the third additional provision of Law 22/2015, on Auditing of Accounts, having assumed for a period of six months [between the resignation of the previous CEO and the incorporation of Mr. Iheb Nafaa] certain management and coordination functions. The Appointments and Remuneration Committee and the Board of Directors understand that, if it had been applicable only the EBA Guidelines on the assessment of the suitability of members of the management body and key function holders, EBA/GL/2021/06., it would have been possible to classify Mr. Saurina as an independent director [paragraph 90 of the EBA guidelines].

## Committees

RC: Risk Committee.  
ARC: Appointments and Remuneration Committee.  
AC: Audit Committee. Two new members are in the process of being appointed to the Board of Directors.

The following diagram summarizes corporate governance structure in WiZink:



## Board committees

### Risk Committee

The Risk Committee ("RC") submits the risk management policies for approval by the Board, assisting the Board to ensure that the strategy, goals, principles, policies and resources are consistent with the risk appetite of WiZink, regulatory requirements and industry best practices. The RC, together with the Board of Directors, also oversees and reviews the formal provisions with respect to internal risk and the control environment. The RC is currently composed of 3 members of the Board who do not discharge executive functions at the bank. The RC is chaired by an independent director.

### Appointments and Remuneration Committee

The Appointments and Remuneration Committee ("ARC") is responsible for assisting and advising the Board on matters relating to the appointment of the Board members and the remuneration of the Board and senior executives, with the aim of motivating and retaining executives and ensuring that the Company attracts the best talent in the market, thereby maximising its shareholder value. Remuneration of directors and senior executives must be defined in accordance with market benchmarks. The ARC is currently composed of 3 members of the Board who do not discharge executive functions at the bank. The ARC is chaired by an independent director.

### Audit Committee

The Audit Committee ("AC") is responsible for overseeing the preparation of the Financial Statements together with the external auditors. Furthermore, the AC is responsible for overseeing the effectiveness of the Bank's internal control and risk environment, the audit

and risk management systems and processes and, when deemed appropriate, it may submit recommendations or proposals to the Board of Directors. The AC is currently composed of 3 members of the Board who do not discharge executive functions at the bank. The AC is chaired by an independent director.

## Management level committees

### Executive Committee ("ExCo")

Decision-making committee which has the same delegated authority as the Chief Executive Officer, including among others the definition of the annual budget, the development of the strategy approved by the Board, including operational plans, policies, procedures and budgets; approving management proposals on strategic issues to be recommended to the Board for approval and coordination between the different areas.

### Management Committee

It is responsible for assisting the Chief Executive Officer in the performance of his duties within the limits of his authority, inter alia, the development and implementation of the strategy approved by the Board, including operational plans, policies, procedures and budgets; the monitoring of operational and financial performance and competitive forces in each business area; and the assessment and control of risk. In addition, the Management Committee is responsible for reviewing policies, and recommending them to senior committees and the Board for approval. It is also responsible for ensuring compliance with current regulations and legislation, as well as making recommendations on the Risk Appetite Framework [the "RAF"].

### Asset-Liability Committee ("ALCO")

Oversees and grants final approval of management activity risks of structural balance with the objective of maximizing the entity's performance, ensuring that the profile of the level of aggregate risk created by the different business units remains aligned with the Bank's risk appetite. The ALCO is responsible for identifying, managing and controlling balance sheet risks in the performance of the business strategy, by:

- Active monitoring of the liquidity, financing, market risk and capital risk profiles by means of the metrics defined and the early warning indicators [the EWIs];
- Having sufficiently broad representation in those functions that can have a direct or indirect impact on the risk profile;
- Guaranteeing reports disclose accurate, timely and relevant information on the level and sources of risk exposure;
- Approving capital and liquidity plans in support of the dividend proposals;
- Forecasting to identify potential breaches of risk appetite or regulatory requirements;
- The execution of stress tests to ensure the resilience of the structure of balances to shocks in structural risks.

### Enterprise Risk Management Committee ("ERMC")

Provides the appropriate surveillance and management of all types of risk within the Company in order to guarantee compliance with the RAF [Risk Appetite Framework]. The ERMC controls risk appetite-associated breaches and submits recommendations to the ExCo and the RC on risk management matters.

### Product Committee

Approves any new product launch or change in products and/or services commercialized by the Bank and its subsidiaries and branches. Guarantees that the Customer Value Proposition meets customers' needs, takes into consideration the competitive and regulatory environment, minimizes and mitigates the legal and conduct risks arising from the design and marketing of the products and ensures an adequate transparency.

### Committees specialized in Risk Management (dependent on the ERM)

#### Credit Risk Committee ("CRC")

Monitors all key aspects of credit risk management to understand credit risk appetite, profile, performance and credit policy adequacy. The objective of the Committee is to provide the appropriate oversight and governance of WiZink's credit risk, ensuring adherence to risk appetite and credit risk policy. The CRC will provide recommendations to the ERM every time a relevant credit risk needs to be escalated.

#### Internal Control Body ("OCI") - FinCrime

Committee appointed according to article 26 of Spanish Law 10/2010, of 28 April on the prevention of money laundering and combating the financing of terrorism and article 35 of the Royal Decree 304/2014, dated on May 5, to oversee and manage the financial crime risk and anti-money laundering policy and procedures to be aware, prevent and impede operations linked to money laundering/ financing of terrorism.

#### Internal Control Body ("OCI") - Criminal Defence

The purpose of this committee is to ensure compliance with the criminal defense regulations, namely, i) Organic Law 5/2010, of 22 June, amending the Organic Law 10/1995, of 23 November, Spanish Criminal Code, ii) Organic Law 1/2015, of 30 March, amending the Organic Law 10/1995, of 23 November, Spanish Criminal Code iii) Circular 1/2016, of 22 January, on the criminal liability of legal entities pursuant to the reform of the Spanish Criminal Code introduced by Organic Law 1/2015, iv) Requirements of the crime prevention management system at AENOR [Spanish standards body] organizations, v) Organic Law 1/2019, of 20 February, amending the Organic Law 10/1995, of 23 November, Spanish Criminal Code.

#### IT Risk Management Committee ("ITRMC")

Monitors all aspects of ICT & Security Risks to understand IT Risk Appetite, profile, performance and control framework adequacy. The purpose of the Committee is to provide the appropriate oversight and governance of WiZink's ICT & Security Risk, ensuring alignment with the ICT & Security Risk Management Policy and related standards. The Committee will provide recommendations to the ERM every time a relevant ICT or Security risk needs to be escalated.

#### Operational Risk Management Committee ("ORMC")

Monitors all aspects of Operational Risk to understand Operational Risk Appetite, profile, performance and control framework adequacy. The purpose of the Committee is to provide the appropriate oversight and governance of WiZink's Operational Risk, ensuring

alignment with the Operational Risk Management Policy and related standards and procedures. The Committee will provide recommendations to the ERM every time a relevant operational risk needs to be escalated.

#### Model Risk Committee

Serves as the primary body for all material matters related to model risk management. The objective of the Committee is to provide the appropriate oversight and governance of WiZink's Model Risk, ensuring adherence to Risk Appetite and Model Risk Policy and related Standards. It will lead an interaction between all key members to discuss/debate main model's statistical indicators & tiering evolution, identification of model weaknesses, the definition and follow up of corrective actions. The Committee will provide recommendations to the ERM every time a relevant model risk needs to be escalated.



### 3.2. Corporate structure

Company	Shareholding		Activity	Business Line
	Shareholder/Partner	%		
<b>WiZink Bank, S.A.U.</b>	Aneto, S.à.r.l.	100,00%	Loans and credits, including consumer loans and financing of commercial transactions.	Banking services
<b>Iberalbión, S.L.</b>	WiZink Bank, S.A.U.	100,00%	Entity specialized in providing call centre services and other supporting services to the WiZink group.	Commercial services
<b>WiZink Gestión, S.L.</b>	WiZink Bank, S.A.U.	100,00%	Entity specialized in collections.	Debt and asset recovery services.
<b>Aplázame LoanBook 1, S.L.<sup>3</sup></b>	WiZink Bank, S.A.U.	100,00%	Non-mortgage loans and credits provision with deferred payment formula, open-end credit line or any other equivalent financing form.	Financial technology
<b>Aplázame Sociedad Anónima Promotora de Inversión de Capital Variable<sup>4</sup></b>	WiZink Bank, S.A.U.	99%	All sorts of loans and credits provision.	Credit intermediation services
	Aplázame LoanBook 1, S.L.	1%		
<b>WiZink Bank, S.A. - Sucursal em Portugal</b>	WiZink Bank, S.A.U.	N/A	Loans to retailers through the marketing of credit cards.	Banking services

<sup>3</sup> As a result of the Merger by absorption of WiZink Bank S.A.U. with Aplazame, S.L.U. registered on 4th March 2022, at the date of issue of this document, WiZink Bank S.A.U. directly owns 100%.

<sup>4</sup> In the process of liquidation and dissolution.

### 3.3. Objectives and strategy

WiZink, leader in credit card financing in Iberia, is expanding its range of financing products to become a diversified digital consumer lender. This evolution is articulated through 3 pillars:

- Continue evolving the credit card management model through the development of a segmented offering that includes additional cards, new agreements with third parties (e.g., in 2023 WiZink has closed an agreement with AliExpress in Spain); the digitalization of all our sales, management and service processes and the reinforcement of our risk management capabilities.
- Accelerate the growth and value generation of our Point-of-Sale financing business (Aplazame), converting it in a reference for retailers and customers.
- Continue to grow with the rest of digital financing solutions, scaling personal loans and auto loans businesses.

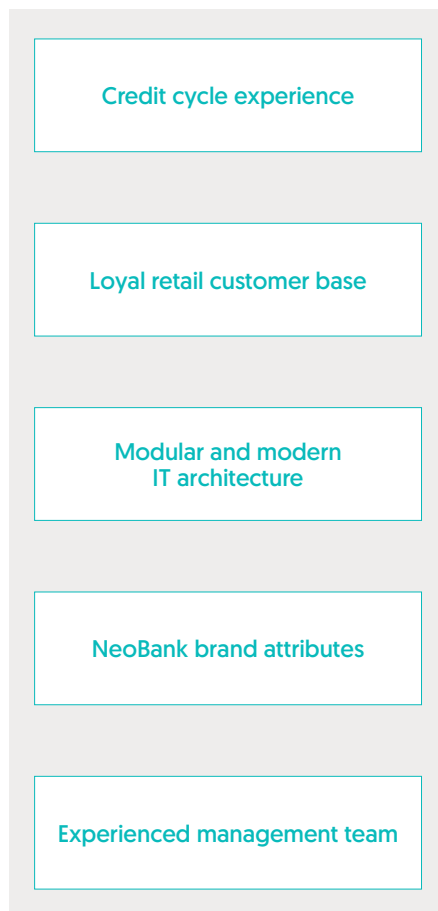
The successful implementation of our strategic priorities also requires active management in parallel of the main structural challenges facing the consumer finance sector: management of the macroeconomic environment, rapid adaptation to new regulatory recommendations and management of the risk of deferred payment litigations.

The strategy will allow WiZink to be more present in people's day to day lives and help them to better manage their finances, the strategy will be developed based on the company's strengths:

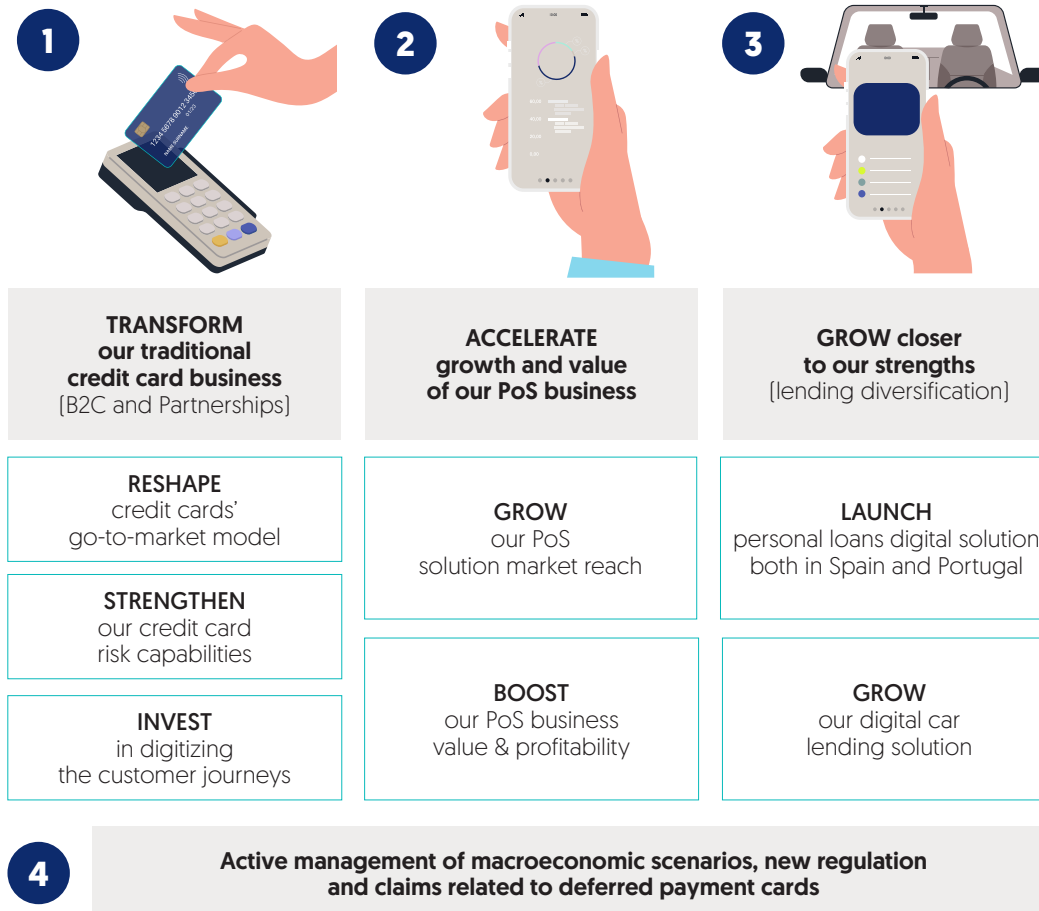
- Experience in managing the complete credit lifecycle.
- Stable base of more than 1.7 million customers with an average tenure of more than 5 years.
- Modular and modern technological architecture.
- Digital bank brand attributes.
- Proven Management Team experience in managing entities in all phases of the economic cycle.



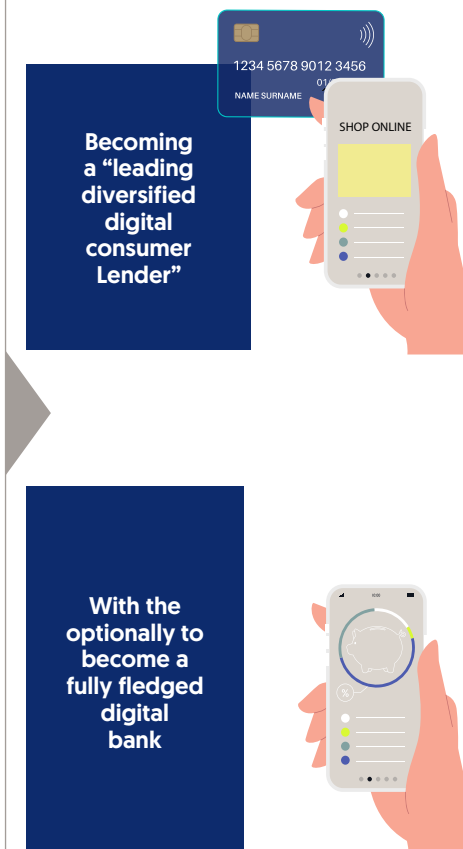
## We are leveraging on our assets...



## ...leaning on our strategic priorities...



## ...to reach our ambition

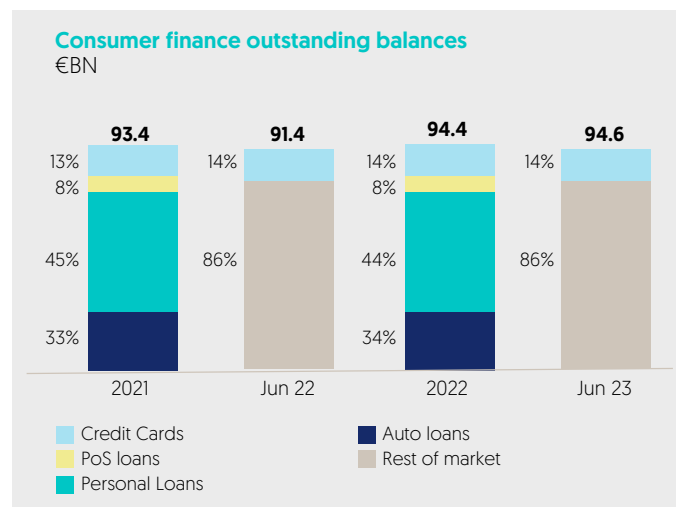


### 3.4. Business environment, trends and regulation

#### Consumer Finance/ revolving credit market

The consumer financing market in Spain presented a credit balance of €94.6Bn at the end of June 2023, 3.5% higher than June 2022, maintaining the growing trend observed in recent months and not being affected, for the moment, by the existing macroeconomic uncertainty. This uncertainty is mainly due to the persistence of a high inflation and interest rate environment. At the moment, this context is not significantly impacting the demand for consumer financing by Spanish households, and there is also no perceived limitation of supply by financial entities in the face of potential deterioration of customers' payment capacity.

At the business segment level, the consumer financing market in Spain is divided as follows:



Credit card balances increased by 2.4% in the last year (€13.3BN in June 2023 compared to €13.0BN in June 2022), while the rest of the segments as a whole grew by 3.7% (€81.3BN in June 2023 compared to €78.4BN in June 2022). After having decreased in 2019, 2020 and 2021, credit card balances have maintained their growing trend in 2023, although at a slower pace than in 2022 [2.4% year-on-year growth in June 2023, compared to 3.9% in June 2022]. The fact that the balances of this product continue to rise may be due to a reduction in disposable income by households in a high inflation environment, as credit card financing is a resource that is sometimes used in the face of a lack of liquidity.

WiZink, thanks to its diversification strategy, competes in all market segments (credit cards, personal loans, auto loans and point-of-sale financing). In particular, WiZink's significant growth in the auto loan segment through Lendrock, its used vehicle digital financing business, stands out. The auto loan segment represents more than a third of the consumer financing market and has good prospects for the coming years.

In addition to balances, new origination of consumer financing increased by 5.6% in the second quarter of 2023 compared to the same quarter in 2022. In particular, the origination of credit card financing grew by 3.4% year-on-year in June 2023, compared to the 17.8% observed in the same period the previous year. Although the growth rate has slowed, the fact that origination continues to rise is a symptom that the credit card market is returning to normal after the Supreme Court Ruling 149/2020 of March 2020. In fact, it is observed that entities are returning to market the product in the open market, mainly through digital channels, after the Supreme Court Ruling 258/2023 of February 2023, which provided greater certainty to the market about the criterion to be applied in usury cases.

In Portugal, with data available until 2022, the consumer financing market presented a credit balance of €29.6BN at the end of

\*Source: Statistical Bulletin of the Bank of Spain and Euromonitor for auto loans. Note: in June we do not have segmentation available with the same level of granularity as at year-end.

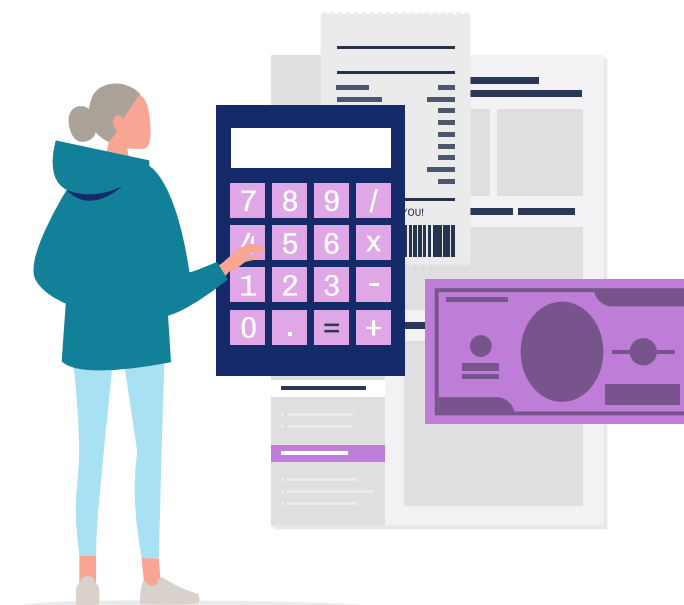
2022, which represented an increase of 5% compared to the end of 2021 [€28.2BN], maintaining the recovery trend of the market started in 2021 after the pandemic.

In addition to the financing market, in other markets related to WiZink's businesses, we observe the following trends in Spain:

- Credit card payments: Payments and cash withdrawals with credit cards reached €82BN in the first half of 2023, with a growth of 21% compared to the same period of the previous year, much higher than payments and cash withdrawals with debit cards, which grew by 6% in that period. This is another sign of the recovery of the credit card market.
- Automotive market: Car sales in units increased by 12% in the first half of 2023 compared to the same period of the previous year, driven by new car sales, which grew by 24% after the improvement of the the global shortage of raw materials that had negatively affected the sector in recent months. Used car sales grew by 6%, at a slower pace than new cars because part of the demand that in previous months had moved to the used market has returned to the new one with the improvement of the supply situation.
- e-Commerce: Card purchases in electronic commerce grew by 17% in the first half of 2023 compared to the same period of 2022 [€39.2BN in the first half of 2023 compared to €33.6Bn in the first half of 2022]. The relative weight of card purchases in electronic commerce compared to physical commerce was 26% in the first half of 2023, one point higher than the 25% observed in 2022, two points higher than the 24% of 2021 and 2020, and four points above pre-pandemic levels [22% in 2019], continuing with a growing trend that could continue in the future.

In short, despite the existing macroeconomic uncertainty, WiZink competes in a market where there are opportunities and positive trends for the future. WiZink is constantly monitoring the macroeconomic forecasts made by the main international organizations, as well as indicators that may anticipate a deterioration in its customer portfolio.

WiZink's diversification strategy, which competes in the entire spectrum of consumer financing in the Iberian Peninsula, allows minimizing risks and having growth opportunities in specific market niches.



## Market Regulation

### NATIONAL REGULATIONS

In Spain, the year 2023 has broken with the rhythm of regulatory profusion of recent years. Royal Decree 400/2023 of 29 May, which dissolved the legislative chambers, the Congress and the Senate, not only prevented the parliamentary procedures for the approval of new laws, but also led to the decay of regulations of great impact for the financial sector that were expected to come into force, such as the Law for the creation of the Independent Administrative Authority for the defence of financial customers, the Law on Procedural Efficiency Measures, the Royal Decree regulating the Consumer Arbitration System and the Law on Customer Services.

Until the dissolution of the legislative chambers, the following important legislation for the Financial Sector is noteworthy:

- **Law 2/2023 of 20 February**, regulating the protection of persons who report regulatory infringements and the fight against corruption.
- **Law 6/2023 of 17 March** on Securities Markets and Investment Services, which amends Law 10/2014 of 26 June on the regulation, supervision and solvency of Credit Institutions, Law 5/2015 of 27 April on the promotion of business financing, Law 1/2000 of 7 January on Civil Proceedings, with the aim of recognising distributed registration technologies as a new way of representing negotiable securities and financial instruments.
- **Royal Decree 193/2023 of 21 March** on basic conditions of accessibility and non-discrimination for people with disabilities, which is ahead of the regulation that will transpose Directive 2019/882 and which aims to make

it easier for disabled users, at their request, to interact with institutions and to understand documentation and financial information.

- **Law 11/2023 of 8 May** which, among other things, introduces certain requirements for payment service providers, which are obliged to keep sufficiently detailed records of the cross-border payments in which they intervene and to provide this information to the Tax Administration. In turn, this regulation also establishes universal accessibility requirements.

For its part, the **Banco de España** issued three Circulars in 2023:

- **Circular 1/2023, of 24 February**, on information to be sent to the Banco de España on public and confidential financial reporting standards and financial statement formats.
- **Circular 2/2023 of 17 March** amending Circular 1/2013 of 24 May on the Central Credit Register.
- **Circular 3/2023 of 31 October** amending Circular 2/2016 of 2 February on supervision and solvency.

In addition, the Bank of Spain has published the “**Guide to governance and transparency of revolving credit for supervised institutions**”, whose guidelines aim to increase the information provided to the banking consumer both in the pre-contracting phase and throughout the life of the revolving card product.

The **Spanish Data Protection Agency**, for its part, has issued Circular 1/2023, in which it sets out an enlightening criterion on article 66 of the General Telecommunications Law enshrining the right of users not to receive unsolicited commercial calls. The Agency has also published a new Guide to the use of cookies.



In the case of **Portugal**, the following regulations stand out:

- **Law n.º 10/2023, which completes the transposition of Directive (EU) 2019/2161 consumer rights defense.** It introduced a change in terms of pre-contractual information to be made available to consumers in cases of distance contracting, providing, now, that within the scope of the identity of the service provider, in addition to the name and address where it is established, it is also required the telephone number and e-mail address as mandatory elements that allow a fast and effective communication by the consumer.
- **Bank of Portugal Instruction n.º 10/2023, amends the Bank of Portugal Instruction n.º 16/2021**, which establishes the information requirements that institutions must report on the implementation of the procedures set out in the Action Plan for Default Risk ("PARI") and the Extrajudicial Procedure for Regularization of default cases ("PERSI"), as well as the communication model they must observe for this purpose.
- **Law n.º 24/2023**, which changes and/or prohibits the charging of fees and commissions in consumer credit contracts.
- **Decree-Law n.º 66/2023**, which establishes the necessary measures for the application of the Regulation (EU) 2021/1230 of the European Parliament and Council, 14 July 2021, on cross-border payments in the European Union.

[WORK OF THE EUROPEAN COMMISSION, EBA GUIDELINES AND COMMUNITY DIRECTIVES](#)

Among the initiatives at EU level, the most relevant for the financial sector are the following:

- **New Consumer Credit Directive (EU) 2023/2225 of the European Parliament** and of the Council, a consequence of the need to adapt to technological advances at global level,

which have led to major changes in the field of consumer credit agreements and consumer behaviour. These aspects were not covered by Directive 2008/48/EC, which has led to the need for harmonised regulation in this area.

The Directive was published on 30 October 2023 and will enter into force on 19 November 2023; however, Member States have until 20 November 2025 to transpose it and until 20 November 2026 to begin its application.

This Directive, awaited by the sector, regulates obligations and aspects that are not unknown, such as the obligation to provide consumers with clear information on the product contracted, both in the advertising of the product and, in advance, in the standardised standard form included in Annex I of the Directive, which must be given to the banking customer at least one day before the contract is taken out.

It regulates other aspects such as the need for solvency assessment that institutions are obliged to carry out, one of the most important points being the possible limitation of lending rates, fees, commissions and total costs. There are also rules on the conduct, training and remuneration of the institutions' staff.

- **New Directive [EU 2023/2673] of 22 November on Distance Financial Contracts**, which must be transposed into Member States' legislation within two years.

This Directive arises from the need to adapt existing legislation to the new IT developments that allow new forms of distance contracting. It broadly enhances consumer protection and creates a level playing field for financial services online, by telephone or through other forms of distance marketing, emphasises the need for the provision of pre-contractual information and the consumer's right of withdrawal in an easy way and, finally,

lays down rules to prevent online interfaces from misleading or manipulating consumers' decisions when contracting financial services at a distance.

- **New proposal for the Alternative Dispute Resolution Directive.** Although participation is voluntary, the response of the Entity is mandatory when it is contacted for the resolution of a dispute by an Entity of the Arbitration System, answering whether or not it accepts to join the procedure.

**The European Banking Authority (EBA).** It has issued Guidelines for institutions to submit a resolvability self-assessment at least every two years, to set out how they meet resolvability and transferability capabilities and how they have obtained assurance of their adequacy. The first self-assessment is scheduled for the end of 2024.

In addition, in October 2023, the Guidelines for remote customer on-boarding solutions (on-boarding procedure) came into force, requiring a review of the Entities' customer on-boarding and on-boarding processes.

In the area of Sustainability, the EBA report on the role of environmental and social risks in the prudential framework for Credit Institutions and Investment Firms stands out as these risks are changing the risk profile of the banking sector. The Report presents recommendations on short-term measures to be taken over the next three years as part of the implementation of the Capital Requirements Regulation and Directive.

In addition, the EU Commission has published a Sustainable Finance Package which includes a working document on improving the usability of the taxonomy.



1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	Business model	<b>Risk Management</b>	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____



# 4. Risk Management

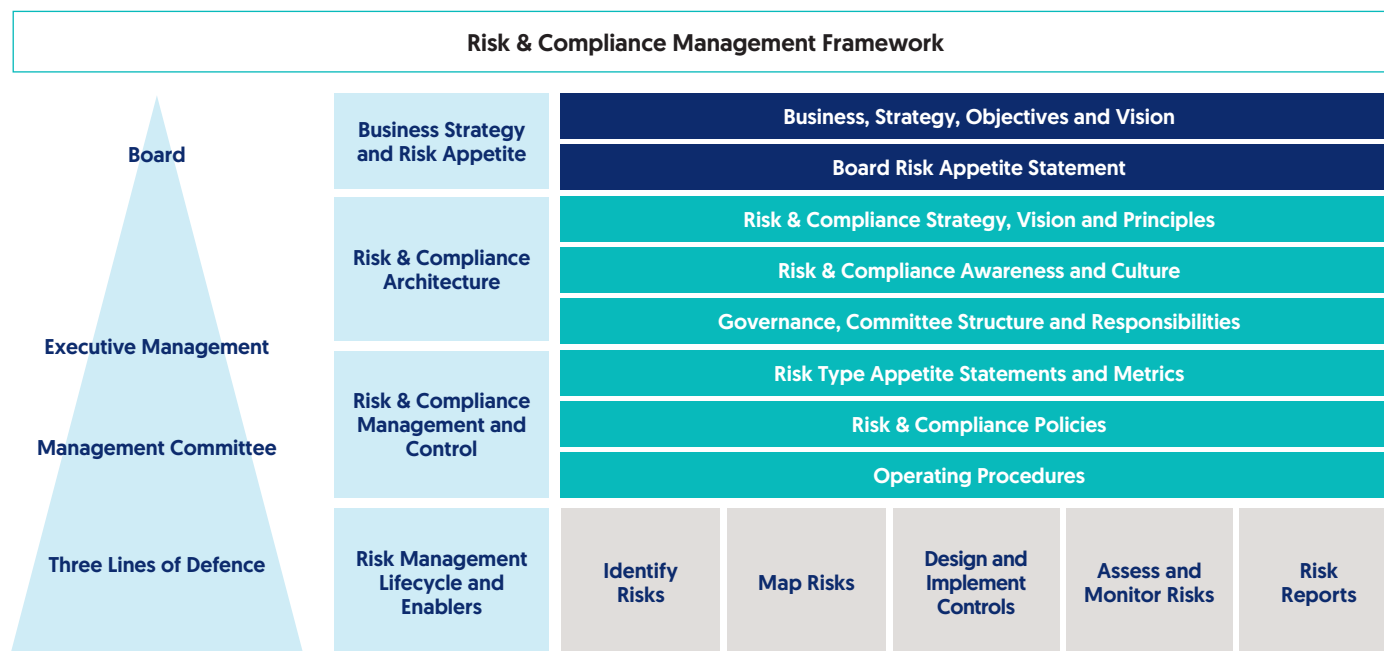


## 4. Risk Management

WiZink, as a digital bank expert in consumer finance in Spain and Portugal, accepts a certain level of risk as an inherent part of its business model to provide service to its targeted sectors, mainly the credit card market, personal loans, point-of-sale financing, auto loans, saving accounts and deposits.

Managing and controlling these risks efficiently is one of the main priorities for WiZink and all its stakeholders.

### 4.1. Key elements in Risk Management and Control



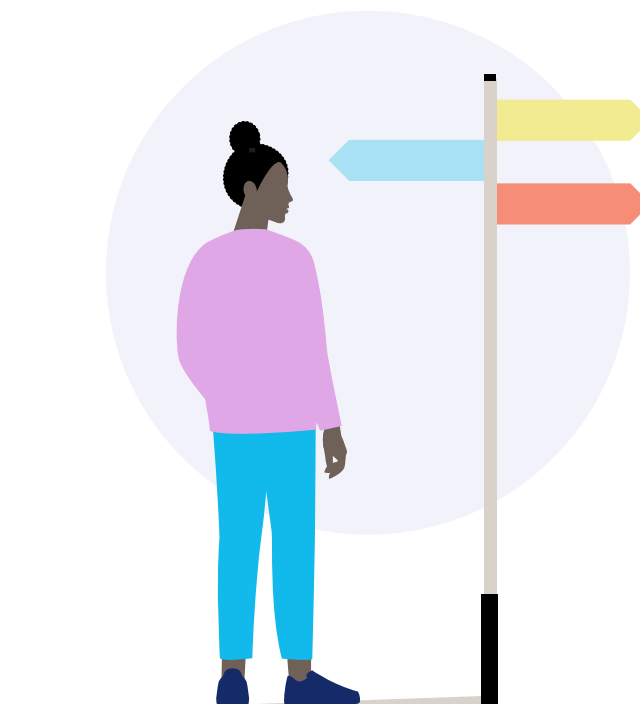
The Board of Directors, Executive Committee and executive team establish and actively promote the risk culture and values, which cascade through the entire Group, and continuously oversee the integration of the risk culture throughout the organisation. Also, WiZink fosters this culture at all levels of the company with the goal of ensuring that all employees understand the fundamental values of the culture of risk and compliance.

The Board has also implemented corporate risk policies that define the minimum requirements to ensure compliance with approved risk appetite. It is the responsibility of the management to ensure that the staff is informed of the strategy and policies that apply and that they comply with them, providing the required training and informative sessions.



WiZink's risk management strategy is based on ensuring that all relevant risks are identified, measured, monitored and controlled, with the appropriate human resources, tools and information systems to ensure a sensible and consistent risk profile is kept within the established risk appetite and a tight control over all identified risks.

Once WiZink has identified its risks and has evaluated them based on their materiality and the effectiveness of the control environment, tools have been designed and implemented to enable their mitigation:



- Risk Appetite Framework (RAF) and Risk Appetite Statement (RAS): comprehensive tool approved by the Board of Directors to determine the types and thresholds of risk that they are willing to accept in order to achieve the strategic objectives of the Group with relation to the identified risks. The RAS is the link between the global strategy of the Group and the risk management framework. Metrics have been defined for each type of risk in order to follow up on the appetite, with quantitative limits and an escalation process in case these are breached.
- Risk and Control Assessment (RCA): risk self-assessment exercise that enables the identification of the significant risks of the Group, evaluating the associated controls effectiveness to determine their mitigation level in order to establish risk mitigation strategies and/or accept risk if required.
- Manager's Control Assessment (MCA) Programme: diagnostic tool that helps all Group areas to self-assess the effectiveness of their control environment on a continuous basis.









Summary of the risk management model for WiZink´s main risks as follows:



Risk type	Risk Management
<b>Credit risk</b>	
<div>  <p>The risk of the Company suffering losses as a result of the inability of the counterparty to meet its obligations.</p> </div>	<p>WiZink’s credit risk management is based on extensive use of historical information, from both internal and external sources, which allows the development of scoring models and other segmentations applied throughout the credit cycle. These models enable the company to predict the payment behaviour of our clients and establish their level of solvency. WiZink defines in such way its risk policy for the acquisition and for the existing portfolio management programs, avoiding increasing exposure in high-risk profiles.</p> <p>Additionally, risk management and recovery policies have been developed, aligned with the credit risk appetite defined by the Board of Directors.</p> <p>To take decisions and mitigate credit risk, various metrics and early warning indicators are regularly monitored to examine the risk profile and behaviour of customers (from the beginning to termination of the relationship with them).</p>
<b>Operational risk</b>	
<div>  <p>Risk of suffering losses due to failures or inadequacies of processes, people, internal systems, technology, or due to external events.</p> </div>	<p>Operational risk management at WiZink focuses on maintaining robust operational controls in all its processes, minimizing the possibility of incidents that cause operational losses or negative impacts to the Group. Focus is on reduction of losses due to external fraud, as well as those derived from claims related to deferred payment cards, and control of outsourced service providers.</p>



Risk type	Risk Management
<b>Model risk</b>	
<div>  <p>The risk associated with the development, use and misuse of models involved in the decision-making process in the Group.</p> </div>	<p>Model risk management refers to identification, monitoring and measurement of the potential adverse consequences of decisions based on incorrect or misused models.</p> <p>Model risk management is largely based on monitoring credit risk models (acquisition and behavioural models) and IFRS9 and on ensuring that new models are correctly defined, calibrated and implemented. WiZink pursues to minimize Model Risk with active model management, governance policies and independent reviews.</p>
<b>Product concentration risk</b>	
<div>  <p>The risk that the Group will suffer losses as a result of the risk of concentration on a particular product.</p> </div>	<p>Although traditional business model was mainly based on granting credit through credit cards, since 2018 Wizink has pursued the path towards credit diversification with the acquisition of Aplazame (point of sale financing), in 2021 the acquisition of Lendrock (auto loans) and the launch of personal loans. Thanks to this diversification strategy, the risk of product concentration, although it still exists, is being reduced. Additionally, this level of risk can be mitigated by a high level of specialisation in the management of the credit cards product and extensive knowledge of the market in which WiZink operates.</p>

Risk type	Risk Management
<b>Interest rate risk</b>	
<div>  <p>The exposure to changes in market interest rates due to different repricing schedules of interest-bearing financial assets and financial liabilities.</p> </div>	<p>The interest rate risk management strategy serves to minimise the impact of adverse changes in interest rates on the profit and loss account and on computable own funds. The main purpose of such management is to optimise the net interest margin and to obtain results that are stable and sustainable over time.</p>
<b>Business risk</b>	
<div>  <p>This risk stems from the elements of the business plan that could threaten the viability and sustainability of the company's business model.</p> </div>	<p>WiZink aims to determine plausible business objectives during the development of its Business Plan and to achieve those objectives through its normal activity.</p>
<b>Solvency risk</b>	
<div>  <p>Risk related to Wizink's ability to meet long-term obligations, maintaining sufficient regulatory capital levels, which allow it to assume the risks derived from its financial activity and absorb losses under normal and adverse economic conditions.</p> </div>	<p>The bank's aim is to maintain an adequate level of solvency that allows for the development of the business in both normal and adverse economic environments. In order to achieve this, WiZink will maintain adequate capital to ensure that it is above the minimum regulatory requirements.</p>

Risk type	Risk Management
<b>Profitability risk</b>	
<div>  <p>This is the risk related to the company's ability to obtain benefits from limited resources.</p> </div>	<p>The goal is to achieve sustainable strong results, maintaining high profitability and efficiency in the long-term.</p>
<b>Liquidity risk</b>	
<div>  <p>Risk that the company cannot meet its financial obligations when due and cannot liquidate its assets to meet those commitments on time and / or without incurring excessive cost.</p> </div>	<p>WiZink's objective is to maintain a stable and diversified liquidity and financial structure that allows it to meet its liquidity obligations under both normal and adverse market conditions.</p>
<b>Information and communication technology (ICT) risk</b>	
<div>  <p>This is the current or potential risk of losses due to the inadequacy or failure of the hardware or software of technical infrastructure, which can compromise the availability, integrity, accessibility and security of such infrastructure and of data.</p> </div>	<p>WiZink's key objectives in relation to Information Technology (ICT) and Security risk management are ensuring that investment in technology is aligned with the business strategy and regulatory requirements; avoiding technology failures that may have a material impact on the ability to serve customers, the ability to perform critical business functions, or that may have an adverse financial impact on the entity; ensure a robust execution process and control over changes; eliminating security weaknesses in technologies and data processing; managing failures in technological projects that impact resilience, cost, time and/or service quality; and ensuring that the operation of outsourced technology is at a level of risk management and control similar to the one internally established in the company itself. This is guaranteed with a correct government model in which decision-making bodies have demonstrable expert knowledge in the field of ICT.</p>


Risk type	Risk Management
<b>Conduct risk</b>	
<div>  <p>This is the risk of suffering material losses generated by inadequate financial services, including both wilful misconduct and bad practice during sales and other processes.</p> </div>	<p>WiZink assumes that its banking model and activity are vulnerable to this type of risk and actively works to minimise it. As part of the management strategy, WiZink has implemented initiatives to strengthen the compliance culture, always taking into consideration the improvement of the service to our customers, and minimise losses resulting from non-compliance. Unfair customer outcomes are not tolerated, and thus customers are offered simple, transparent products/services through adequate channels.</p> <p>The goal is to achieve secure business processes based on management of risks related to strategic objectives, effectiveness and efficiency of established processes and controls and compliance with regulations and internal policies. To that end, the bank encourages all members of the organisation to get involved with risk management in order to minimise the existence of conduct risks.</p>
<b>Reputational risk</b>	
<div>  <p>This is the risk that the company will suffer losses as a result of damage to its reputation. WiZink considers reputation to be a valuable asset and therefore it does not tolerate business activities that might jeopardise its reputation.</p> </div>	<p>WiZink considers reputation as a valuable asset that must be looked after and therefore has no appetite to conduct business in a way that puts reputation at risk.</p> <p>WiZink aims to obtain, protect and maintain the trust, loyalty and the best consideration of all its stakeholders. WiZink carries out adequate management of reputational risk, a determining factor for WiZink's long-term plans and objectives. Reputation is considered not just a past performance, but also an opportunity for the future.</p>

Risk type	Risk Management
-----------	-----------------


Legal and regulatory risk

<div>  <p>This is the risk of being fined or sanctioned as a result of violations of legislative or regulatory requirements. It includes the risk of incorrect or missing contractual documents, which might adversely affect the business activities. Legal and regulatory risk also includes the risk that the Group does not have the legal capacity to operate.</p> </div>	<p>WiZink does not tolerate deliberate violations of legislative or regulatory requirements. The bank is committed to compliance with relevant legislation, regulations, industry codes and standards as well as internal policies and sound corporate governance principles. Any breaches identified will be remedied as soon as possible.</p>
---	---

Data Protection

<div>  <p>This is the risk of the company not protecting individuals’ data privacy rights when personal data processing could be carried out not complying with applicable regulations on data privacy.</p> </div>	<p>Wizink is committed to protect its customers, employees and other stakeholders’ personal data and also to be compliant with Data Protection regulation. The company has policies, procedures and appropriate technical and organizational measures in place to ensure that all the risks have been mitigated conveniently. This extends also when subcontracting processing operations with third parties.</p> <p>Wizink is committed to have strict and transparent standards to prevent, to detect and to remediate any incident arising and to report it to the Data Protection Authorities according to data protection regulation.</p> <p>Wizink has no appetite for deliberate breaches of data protection regulation requirements.</p>
--	--

Risk type	Risk Management
-----------	-----------------

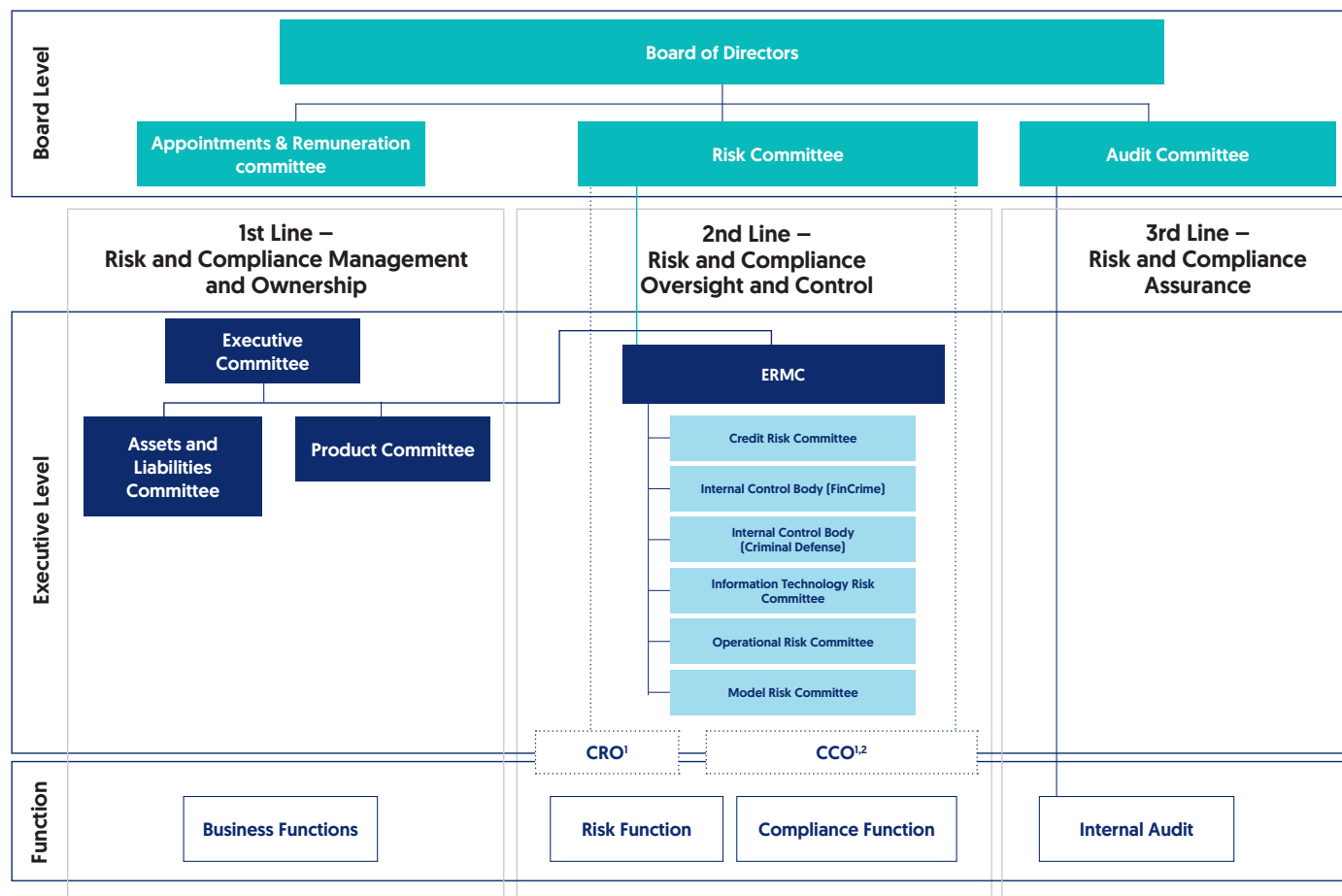
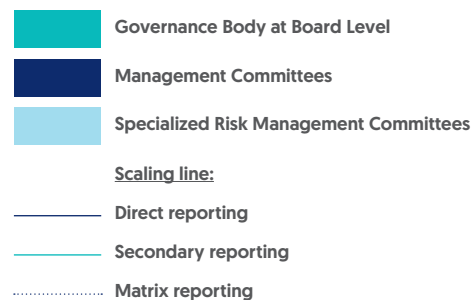
Financial crime risk	
<div>  <p>This is the facilitation of money laundering, terrorist financing, breaches of economic and financial sanctions and bribery and corruption. WiZink is subject to the legal requirements of the EU and Spain. The Portuguese branch applies additional local policies and procedures to comply with local legislation.</p> <p>For WiZink, financial crime risk is the risk that employees, third parties or products and services may be used to facilitate financial crime. This may undermine market integrity and give rise to regulatory breaches and/or losses to different stakeholders as customers, shareholders, counterparties or employees amongst others. Financial crime risk events may also result in financial fines (pursuant to Spanish Law 10/2010 on the prevention of money laundering and of terrorist financing and Portuguese Law 25/2008 on the prevention of money laundering and of terrorist financing), reduced market performance and reputational damage.</p> </div>	<p>WiZink is committed to preventing financial crime and ensuring that its products are not used for money laundering or terrorist financing. The bank is also committed to ensuring that none of its products or transactions are provided or executed for the benefit of sanctioned individuals or entities. Compliance with applicable laws and regulations regarding money laundering, sanctions, bribery and corruption is critical to the bank's business.</p> <p>The company is committed to maintaining strict and transparent standards and to strengthening processes to ensure compliance with applicable laws and regulations. WiZink takes into account that the involvement of other entities in the bank's operations might complicate financial crime risk management. However, the bank is committed to ensuring that such outsourcing does not affect the application of the established standards and requirements.</p>

Additionally, the risks derived from climate change and environmental deterioration are analysed, having concluded that they are not material for the Company.

## 4.2. Risk management governance

WiZink follows a risk management and control model based on three lines that interact with the overall corporate governance structure to define risk and compliance management. This model ensures a clear delineation of responsibilities between ownership and management, oversight and control, and ensures independence.

In addition to the three lines, the Board of Directors and the Audit and Risk Committees are responsible for the proper management and control of risks at the highest level of the organisation. This model follows the guidelines published by the Basel Committee on Banking Supervision in July 2015 under the title “Corporate governance principles for banks” and EBA guidelines GL/2021/05 related to Internal Governance.



<sup>1</sup> Member of the Executive Committee.

<sup>2</sup> Chief Corporate Officer, who is the responsible for the Compliance area.

# 5. Fighting corruption and bribery





## 5. Fighting corruption and bribery

WiZink works continuously towards maintaining a solid compliance culture by promoting responsible finance principles. The Company has available various tools and policies to enable it to fight against corruption, bribery and money laundering.

In addition to having a policy for the prevention and detection of criminal risks, the bank also promotes its policy that irregularities should be reported. The bank also keeps the Code of Conduct, the Whistleblowing Channel, the Conflicts of Interest Standard and the Gifts and Invitations Standard up to date, all of them fully adapted to WiZink's structure and organization with the aim of strengthening the Group's commitment to ethics and transparency.

In addition, it has a Delegations Manual where a decision-making process is defined, and the corresponding degree of responsibility is attributed to each decision-making body and directors within the Group.

Compliance function acts as a second line in relation to non-financial risks, specifically prevention of money laundering and financing of terrorism, data protection, conduct, reputational and regulatory.

The main tasks of the Compliance function are to ensure that all customers are treated justly and to identify, assess, report and manage compliance and reputational risks affecting all business lines, employees, products and legal vehicles. In addition to having other control areas and functions, Compliance function establishes the compliance standards and applies an approach based on overall risk. It is also charged with effectively overseeing and monitoring the regulatory environment affecting

WiZink's activity; it supervises and monitors observance of the Code of Conduct, and is responsible for promoting a culture of compliance, with respect to the regulations governing penalties and terrorist financing, money laundering, corruption and bribery, potential conflicts of interest and, in general, any criminal activity that could be perpetrated at WiZink.

### Policy for the detection and prevention of criminal risks

WiZink has a policy to detect and prevent criminal risks, managed by the Compliance manager. This policy is communicated to all WiZink's executives and employees, thus demonstrating a commitment to permanently supervise behaviour and sanction any fraudulent acts and conduct. At the same time, this is an effective means of communication and raising awareness among all stakeholders by promoting an ethical and honest business policy.

During 2023 WiZink has made contributions to foundations and nonprofit entities amounting to 366,219.88€.



### 5.1. Mitigation of the risk of money laundering and terrorist financing

WiZink's Compliance function works actively to prevent money laundering and terrorist financing. In order to avoid and mitigate these risks, both Spanish Law 10/2010 and Portuguese Law 83/2017 establish the need to take due diligence measures according to the operational risk and the profile of the customer.

For this reason, WiZink analyses all of its customers by cross-checking their data against the lists of sanctions and politically exposed persons both at the beginning of the business relationship and daily with the updating of the lists.

During this process WiZink checks whether customers have been sanctioned for money laundering, terrorist financing, corruption, bribery, embezzlement, or other crimes. If an incidence is detected during the verification-process, measures are taken immediately. Depending on the facts and the circumstances, WiZink may freeze or block the funds.

Risk management is based on the full identification and knowledge of the customer, which will enable the customer to be adequately monitored during the business relationship and thus reduce WiZink's exposure to the risk of being used for money laundering and terrorist financing.

In addition, the Bank has implemented a set of measures to limit the risk in terms of money laundering that customer actions could cause WiZink, such as the collection of more information depending on the origin of the funds and the background of the operation of the customer's transaction:

- As for the products, it is limited to deposits, savings accounts, credit cards, Personal Loans, and Financing at the point of sale of Products and Services, as well as Used Vehicles [second-hand] from March 2022 due to

absorption by Wizink Bank, S.A.U from the companies Aplazame, S.L.U. and Lendrock Spain, S.L respectively. Most of which are classified as low risk in relation to money laundering and terrorist financing.

- New contracts can only be entered into with customers resident in Spain and Portugal.
- In general, only fund transfers from entities operating in countries, territories or jurisdictions in the SEPA area are allowed.

The Bank also has available a number of measures that allow it to reduce the risk of money laundering and terrorist financing, such as:

- Application of due diligence measures based on the level of risk attributed to the customer, extending the requirements for information and documentation where appropriate.
- Customer monitoring and profiling through the AML-Check application, verifying that the transaction in question is consistent with the business declared, with an alert being sent if this is not the case.
- It has an independent Internal Control Body equipped with sufficient human and technical resources to act effectively and diligently in this area.
- The Bank has a representative to the SEPBLAC [Executive Service of the Commission for the Prevention of Money Laundering and Monetary Offences], whose mission is to channel communications between the Executive Service and the bank and to represent the Company in the event of a citation by the Executive Service.
- Preparation of an annual training plan in the prevention of money laundering and terrorist financing, together with information in this area.
- The Bank has a money laundering prevention unit with sufficient human and technical resources for prevention and with staff dedicated exclusively to this area.

- The annual internal audit plan includes the area of prevention of money laundering and terrorist financing, and the performance of regular checks on the application of the model for the prevention of money laundering and terrorist financing.
- The Bank is subject to annual review by an external expert registered with the SEPBLAC, which consists of a full review the first year and follow-up reviews in the following two years.

In 2023, the annual online training for the prevention of money laundering and terrorist financing was given in accordance with the established plan. Likewise, the UPBC [unit for the prevention of money laundering] has also attended seminars and online conferences given by specialized consulting firms and the regulator [SEPBLAC] itself.

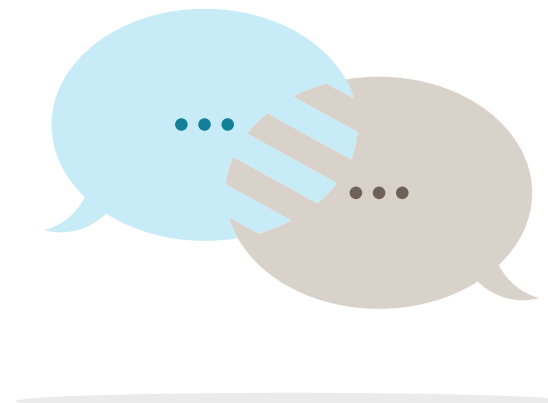
## 5.2. Code of conduct and whistleblowing channel

WiZink's aim is to encourage ethics, honesty and professionalism within the Company and among its employees and to develop and maintain a standard of conduct acceptable to the Company, third parties, customers and employees.

To this end, the bank provides training on the Code of Conduct to all its employees, who are obliged to know it, comply with it and facilitate its implementation.

The Code of Conduct defines, inter alia:

- **Specific rules to avoid corruption**, both among public officials and private citizens, forbid any delivery, promise or offering of any payment, commission, gift or remuneration, and always upholding a duty of care.
- **Guidelines to follow with respect to environmental protection**; all employees, within their scope of competences, are obliged to comply with any legal requirements and internal procedures established by WiZink at any time to reduce or avoid, as far as possible, any impact caused on the environment by their activities.



### General guidelines regarding internal relations at WiZink

**Principle of equality and non-discrimination.** One of WiZink's basic principles is to ensure a working environment where personal dignity is guaranteed and where any conduct that is contrary to fundamental human rights protected by the Spanish Constitution and the law and the legislation applicable in any country where WiZink operates is avoided.

**Respect for persons in all professional relationships at WiZink.** The Bank encourages its employees to have professional relationships based on respect and reciprocal collaboration. WiZink is committed to ensuring a working environment free from violence and/or any harassment whatsoever; no abusive conduct is allowed, or intimidation, disrespect or any type of physical or verbal violence in the Company's professional relationships. WiZink has an action protocol in place to cover any possible workplace harassment, the aim being to establish an alternative action framework within the bank, in addition to the whistleblowing channel [Ethics Channel] available to any worker who

detects or considers himself/herself affected by any type of harassment, as well as for the rest of people who have maintained or maintain a relationship with WiZink.

**The work-life balance.** WiZink encourages its employees to reach a balance between the performance of their professional activity and their personal and family needs. This is achieved through measures that facilitate flexible hours, among other things.

**Collective rights.** One of WiZink's principles is to encourage social wellbeing and employment stability through an open flow of communication with all the trade unions and by promoting dialogue, communication and transparency.

**Occupational risk prevention.** WiZink seeks to ensure that its employees understand and follow any preventive measures related to health and safety at work. The Bank also aims to guarantee that all employees are adequately trained in occupational risk prevention matters and carry out their activity in a safe environment.



The Ethics Channel or Whistleblowing Channel allows information relating to violations of the Code of Conduct, irregularities detected regarding the prevention of money laundering or terrorist financing, any breach of the law or WiZink's internal regulations and any discriminatory or threatening action to be reported, with the possibility of making anonymous complaints. This channel makes it possible to detect any criminal conduct and provides an opportunity for any suspicious conduct to be identified at the earliest possible stage, with the utmost guarantee of impartiality and confidentiality.

This channel is clearly visible on the bank's intranet and on the public web, and is managed by a third party, thus guaranteeing the confidentiality of any complaints, since under no circumstances does WiZink have access to the identity of the whistle-blower. This supplier monitors the functioning of the channel and issues six-monthly reports on the number of complaints reported, handled and in progress. At least once a year the Compliance function carries out an assessment of the internal whistleblowing channel and issues a report.

For some matters this Channel acts as an additional channel or alternative to other existing tools, such as direct communication with the HR Department, trade unions, or the Health & Safety Committee to initiate a prevention protocol in the event of harassment, etc.

Every year a report is prepared that includes the cases communicated by WiZink employees and the rest of complainant people (including directors and senior management) through the Whistleblowing Channel.

In 2023, a single complaint has been received through the Whistleblowing Channel, unrelated to this topics, which after being evaluated, was closed without risk or necessary actions.

### 5.3. Other policies in support of the Code of Conduct

The Company has a **Conflicts of Interest Standard** as development of the Code of Conduct; its purpose is to identify, assess, manage and mitigate or prevent actual or potential conflicts of interest that might arise in the performance of WiZink's activities.

Also, WiZink has a **Gifts and Invitations Standard**, as development of the Code of Conduct. Although the exchange of gifts and invitations is part of business in the domestic and international sphere, in the area where WiZink carries on its activity, inappropriate or excessive gifts and invitations are occasionally made for the purpose of exercising inappropriate influence and give the appearance of bribery or corruption. In this connection, to minimize any type of related risk, the policy forbids employees from accepting any kind of income or commissions from transactions performed by WiZink, and employees are not allowed to take advantage of a position held to their own benefit.

## 6. Social and employee-related issues



## 6. Social and staff-related issues

WiZink's employees are a key part of the company's strategy. It therefore aims to increase the commitment of all employees to WiZink's principles, which are based on transparency, integrity, respect and honesty, collaboration, self-fulfilment and commitment. Moreover, a range of policies and internal control bodies guarantee high levels of compliance with current applicable legislation in every area of work [equality, diversity, reconciliation, occupational risk prevention, etc.].

### 6.1. Employment

As of December 31, 2023, WiZink employs 1,063 professionals [compared to 1,152 at the end of 2022]. Among them, 646 are women [61%] and 417 are men [39%], maintaining a stable trend from the previous year. Additionally, 99% of WiZink's workforce is employed on an indefinite basis, and 77% of the staff falls within the 30 to 50 years age range.

During 2023, several significant milestones have influenced the reported data compared to the 2022 figures. The reduction in the workforce was primarily focused on the subsidiary Iberalbión S.L., where a higher number of administrative, temporary, and part-time personnel are concentrated due to the nature of their activities. Simultaneously, there was a decrease in the workforce associated with the Aplazame business and an increase in the workforce linked to the Lendrock business. Overall, this balancing act has maintained the total headcount across all Group entities except for Iberalbión.

Here are the key quantitative workforce statistics for WiZink:

#### Total number and distribution of employees by gender, age, country, and level

Country	Employees 2022	Employees 2023
Spain	1,058	968
Portugal	94	95
<b>Total employees</b>	<b>1,152</b>	<b>1,063</b>

#### 2023

Country	Employees	Group of Age			Professional Category					
		<30	30-50	>50	Directors & Senior Management		Technicians & Middle Management		Administrative staff	
					W	M	W	M	W	M
Spain	968	51	732	185	55	54	209	197	324	129
Portugal	95	1	85	9	12	11	46	26	-	-
<b>Total</b>	<b>1,063</b>	<b>52</b>	<b>817</b>	<b>194</b>	<b>67</b>	<b>65</b>	<b>255</b>	<b>223</b>	<b>324</b>	<b>129</b>

#### 2022

Country	Employees	Group of Age			Professional Category					
		<30	30-50	>50	Directors & Senior Management		Technicians & Middle Management		Administrative staff	
					W	M	W	M	W	M
Spain	1,058	79	849	130	58	56	215	201	379	149
Portugal	94	1	90	3	11	11	47	25	-	-
<b>Total</b>	<b>1,152</b>	<b>80</b>	<b>939</b>	<b>133</b>	<b>69</b>	<b>67</b>	<b>262</b>	<b>226</b>	<b>379</b>	<b>149</b>

## Total number and distribution of employment contract types by gender and age (as of 31/12)

Due to the stability of WiZink Bank's workforce during 2023, the information regarding the average number of employees in the different breakdowns is not reported as it represents a non-significant difference compared to the disaggregated year-end information.

### 2023

Gender	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Women	469	173	1	3	470	176
Men	381	33	1	2	382	35
<b>TOTAL</b>	<b>850</b>	<b>206</b>	<b>2</b>	<b>5</b>	<b>852</b>	<b>211</b>

Group of Age	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Less than 30	44	7	1	-	45	7
Btw. 30 & 50	649	165	-	3	649	168
More than 50	157	34	1	2	158	36
<b>TOTAL</b>	<b>850</b>	<b>206</b>	<b>2</b>	<b>5</b>	<b>852</b>	<b>211</b>

Professional category	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Directors & Senior Management	132	0	0	0	132	0
Technicians & Middle Management	473	5	0	0	473	5
Administrative staff	245	201	2	5	247	206
<b>TOTAL</b>	<b>850</b>	<b>206</b>	<b>2</b>	<b>5</b>	<b>852</b>	<b>211</b>



## 2022

Gender	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Women	498	207	0	5	498	212
Men	398	41	0	3	398	44
<b>TOTAL</b>	<b>896</b>	<b>248</b>	<b>0</b>	<b>8</b>	<b>896</b>	<b>256</b>

Group of Age	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Less than 30	63	12	0	4	63	16
Btw. 30 & 50	695	203	0	3	695	206
More than 50	138	33	0	1	138	34
<b>TOTAL</b>	<b>896</b>	<b>248</b>	<b>0</b>	<b>8</b>	<b>896</b>	<b>256</b>

Professional category	Permanent Contract		Fixed-Term Contract		Total contracts	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Directors & Senior Management	136	0	0	0	136	0
Technicians & Middle Management	481	7	-	0	481	7
Administrative staff	279	241	-	8	279	249
<b>TOTAL</b>	<b>896</b>	<b>248</b>	<b>0</b>	<b>8</b>	<b>896</b>	<b>256</b>

Due to the stability of WiZink Bank's workforce during FY2023, the information regarding the average number of employees by different breakdowns is not reported due to its lack of significant difference compared to the detailed year-end information.

1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	Business model	Risk Management	Fighting corruption and bribery	<b>Social and employee-related issues</b>	Commitment to society	Respect for human rights	Environmental matters	EU Taxonomy	Appendix



## Number of dismissals

Throughout 2023, there have been 61 dismissals across all legal entities of WiZink. Below, we break down the departures by gender, age, and professional category:

### 2023

Gender	Group of Age	Professional Category			Total dismissals
		Directors & Senior Management	Technicians & Middle Management	Administrative staff	
Women	Less than 30	-	1	3	4
	Btw. 30 & 50	-	-	31	31
	More than 50	-	-	6	6
Men	Less than 30	-	-	-	0
	Btw. 30 & 50	1	4	11	16
	More than 50	-	2	2	4
Total dismissals		1	7	53	61

### 2022

Gender	Group of Age	Professional Category			Total dismissals
		Directors & Senior Management	Technicians & Middle Management	Administrative staff	
Women	Less than 30	-	-	1	1
	Btw. 30 & 50	-	3	30	33
	More than 50	1	0	14	15
Men	Less than 30	-	-	2	2
	Btw. 30 & 50	1	6	21	28
	More than 50	-	-	4	4
Total dismissals		2	9	72	83

## 6.2. Remuneration

The Remuneration Policy of WiZink, last reviewed in 2022, refers to the criteria for corporate salary compensation. At WiZink, salary remuneration is aligned with the market and always adheres to the provisions set forth in the collective agreement applicable to each legal entity, consistently exceeding the minimum wage in all cases. Below, we present average remunerations by gender, age, and professional category:

The consolidated gender pay gap at WiZink stands at 4.6% [compared to 3.4% in 2022 using the same methodology]. The increase in the pay gap from the previous year is primarily due to the reduced weight of Iberalbión within the total WiZink workforce, decreasing from 37.3% in 2022 to 33.6% in 2023. Interestingly, the gender pay gap at Iberalbión is lower than that at WiZink Bank and WiZink Gestión. To calculate the pay gap, the median salaries of men and women have been weighted based on the number of employees across different subsidiaries, considering their corporate level and country.

Independent advisers are entitled to a fixed remuneration established annually at the ordinary general shareholders' meeting, as well as reimbursement for expenses incurred during the performance of their duties. This remuneration is paid in twelve monthly installments and is prorated if their tenure is less than twelve months in the fiscal year.

Below, it is presented the average remuneration for independent and non executive directors in 2023, broken down by gender:

Professional Category	Group of Age	2022		2023	
		Women	Men	Women	Men
<b>Directors &amp; Senior Management</b>	Less than 30	-	79,888€		
	Btw. 30 & 50	124,232€	128,363€	94,851€	100,049€
	More than 50	135,600€	225,073€	109,351€	161,166€
<b>Technicians &amp; Middle Management</b>	Less than 30	35,914€	39,954€	35,581€	40,951€
	Btw. 30 & 50	43,066€	49,758€	39,791€	47,217€
	More than 50	50,273€	56,199 €	44,790€	51,279€
<b>Administrative staff</b>	Less than 30	19,923€	19,741€	21,310€	21,087€
	Btw. 30 & 50	21,787€	22,924€	22,510€	23,709€
	More than 50	22,161€	26,372€	22,579€	27,210€

Includes annual base salary and variable compensation (annual bonus and incentives) actually paid in 2022 and 2023. In addition, the data for 2022 has been recalculated in order to unify criteria between years and between the data within the Remuneration section.

Regarding the average remuneration of directors and executives, the General Meeting of the Entity approved the remuneration policy for members of the Board of Directors in July 2021. It's important to note that only services provided by Board members who are considered independent, and executive are compensated.

	2023	
	Members	Remuneration*
Men	3	172,786 €
Women	1	218,500 €
<b>Total</b>	<b>4</b>	<b>184,214 €</b>

\*To calculate the average remuneration, the remuneration received in the year by independent and non-executive directors for their non-executive functions is considered in accordance with the composition of the Board of Directors as of December 31, 2023.

### 6.3. Organisation of work

Due to the pandemic, teleworking was implemented in WiZink, in general, as a measure to prevent occupational risks. To achieve this, a large investment in time and material resources was made by WiZink.

Once the epidemiological situation improved significantly, the company considered the possibility of continuing a hybrid and flexible way of working.

In this way, once safety distances have been eliminated, managers plan the presence of their teams in the office based on the nature and needs of each position.

The main keys to this hybrid and flexible way of working are:

- The way of working is hybrid, so it includes part of the time in the office and part of it remotely. Each area and team have a different plan, based on its needs, type of work carried out, projects in which it is involved, etc. Therefore, different 'ways of working' coexist in WiZink.
- As a general framework, you can enjoy up to 30% of your hours per quarter in teleworking. In any case, teleworking or remote workdays are always agreed with the managers.
- To ensure personal and team interaction, you must work in the office at least 1 day a week.
- If you want to work in the office 100% of the time, you can do so without any problem.

Furthermore, and in accordance with this flexible way of working, you can work remotely on specific days, on other additional dates than those agreed upon in the planning, always in coordination with the manager.

Additionally, other internal flexibility measures are maintained at WiZink, such as flexible hours, by virtue of which employees have the opportunity to work their hours before or after the workday, continuous, as long as the needs of the area allow it. allow; and reduced working hours, which allows employees to work fewer hours than those established, with the corresponding proportional reduction in salary.

So that employees can provide services from their homes, in those jobs whose functions require the use of the following work tools, WiZink guarantees the provision of:

- Company laptop and mobile phone, which allow remote access to email.
- Microsoft Teams is installed on laptops, which can be used to send and receive messages, to make 1x1 or group calls or video calls, and to participate/organize meetings.
- Office 365 Cloud, which allows access to files, folders and SharePoint, at any time and from anywhere.

In compliance with Spanish regulations on the matter, WiZink implemented WiZink Bank S.A.U. and WiZink Gestión S.L., in June 2020, the day registration tool [Workmeter], as well as the digital disconnection protocol. Both documents were consulted with the workers' representatives, and the decision was made to implement them by the companies as an agreement with the social side was not possible. In relation to both protocols:

- The workday registration tool [Workmeter], as well as its organization and documentation, complies with the provisions of both the Workers' Statute and the sectoral agreements applicable to WiZink entities that have been published to date, as is the case with the agreement on



the registration of working hours in the Banking sector. What's more, in some cases WiZink's internal protocol improves what is established in the current regulation, from the moment it establishes additional obligations for the company, such as the delivery to the legal representation of the workers of the workday records on a monthly basis, the provision of these reports in telematic support, etc.

- Regarding the digital disconnection protocol, it was also implemented unilaterally in the entities and its purpose is for employees to be aware that they can make use of the right to digital disconnection at all times, and this circumstance cannot have negative consequences [for example, in terms of promotion or remuneration] for them.

All documentation related to time registration and digital disconnection (including protocols, training videos, guide to using the time registration tool and frequently asked questions documents) is available to employees on a specific site created in the intranet.

Both, tool and protocol, have been implemented in all the Group's subsidiaries in Spain.

Additionally, and in relation to the working day, we must indicate that at WiZink Bank the intensive summer working day is applied, having reached an agreement in 2018 with the workers' representatives [Collective Agreement on the Homogenization of Working Time] according to which certain days at the beginning of the intensive shift (from May 23 to 31) are replaced by others that are more attractive to employees [for example, the eve of long weekends, holidays, non-school days, etc.]. The choice of these substitute days for intensive work is carried out

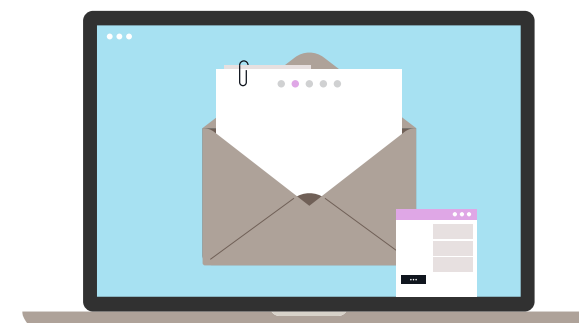
by consensus with the social part and is reflected in an annual agreement.

In the case of WiZink Gestion, for all those employees to whom the Madrid Collective Agreement for Offices applies, 13 weeks of reduced intensive working hours per year are applicable, of which at least 4 consecutives will always be in summer.

#### 6.4. Health and safety

WiZink is committed to improve working conditions, as well as the health and well-being of its employees. Therefore, the permanent and fundamental objective of the Company is to continuously improve its health and safety policy.

Within the preventive actions established in the Prevention Plan, some of the activities carried out are detailed below:



	WZ BANK	WZ GESTION	WZ BANK suc PORTUGAL	IBERALBION
Delivery of the Annual Program of preventive actions 2023	December 2022: Ulises Center; Zaragoza office center; Zaragoza Building Center; Tiziano Center	December 2022: Centro Ulises	N/A	December 2022: Zaragoza Center
CSS Meetings	CSS Centro Ulises meetings: 4 meetings, one per quarter Resto of centers: N/A	Ulises Center: 5 meetings, one per ordinary quarter and one extraordinary in the first quarter	N/A	4 meetings, one per quarter
Security Inspections	Ulises Center: 4 Zaragoza Office Center: 2 Zaragoza Building Center: 5 Tiziano Center: 2	4	2	6
Measurements of Environmental Conditions	Ulises Center: 4 Zaragoza Office Center: 3 Zaragoza Building Center: 3 Tiziano Center: 2	4	1	4
Drills	Ulises Center: 22/05/2023 Zaragoza Office Center & Building Center: 22/06/2023 Centro Tiziano: Enero 2024	Centro Ulises: 22/05/2023	02/11/2023	22/06/2023
Medical examinations performed	308	20	63	355
Vaccinated in the Vaccination Campaign	94	5	12	75
Annual Report Delivery 2023	January 2024	January 2024	N/A	January 2024

Within the health and safety policy, the AHEAD WELLBEING program was included in the 2023 People Plan, with which Wizink is committed to developing numerous activities to care for the health of employees with initiatives that will cover both physical and emotional health.

The objective of the different campaigns is:

- Involve and raise awareness among employees about the importance of preventing the specific risks of each campaign.
- Promote healthy lifestyle habits and promote the proposed healthy measures.
- Reduce work absenteeism.

During 2023, Wizink has carried out the following activities in the "AHEAD WELLBEING" wellness program in which each month was dedicated to a different theme related to Wellbeing:

## FIRST SEMESTER

### January: Start taking care of yourself.

- Wellness tip: Keys to start the year healthy.
- News: We remind you how to proceed in case of emergency in Ulysses

### February: Benefit of sport

- Launch within AHEAD Wellbeing SPORTS: Paddle and cycling club.
- Wellness tip: Practicing exercise has many benefits for our health.
- RUNNERS CLUB: Orphan Solidarity Race

### March: Cardiovascular Health

- Wellness tip: Tips to take care of your heart.
- Cardiovascular Risk Prevention Week: In March, 'take care of your heart' with the following activities:  
 Webinar:
  - \* Difference between food and nutrition
  - \* Positive psychology for everyday life
  - \* Cholesterol, its metabolism and heredity.
 In-person workshop: Quick and healthy snacks  
 Challenge: Join "A week without an elevator"  
 In the Medical Service:
  - \* Measurement of BMI and blood pressure
  - \* Control and monitoring of weight and healthy diet.
- RUNNERS CLUB: Rock&Roll Race

### April: Importance of oral health

- Wellness tip: Nutritional health: do you know how many calories you should eat per day?
- Webinar: Keys to effective weight loss
- BLOOD DONATION CAMPAIGN in the office with the RED CROSS
- PADEL CLUB WiZink: POZO II

### May: Take care of your nutrition

- Wellness tip: Nutritional health: do you know how many calories you should eat per day?
- Webinar: Keys to effective weight loss
- BLOOD DONATION CAMPAIGN in the office with the RED CROSS
- PADEL CLUB WiZink: POZO II

### June: Take care of your nutrition

- Wellness tip: Take care of your diet also in summer.
- Videos:
  - \* Take care of your diet, also in summer
  - \* How to act in the event of heat stroke and dehydration.
- Webinar:
  - \* Eat healthy economically
  - \* Light and healthy dinners
- PADEL CLUB WiZink: : POZO III

## SECOND SEMESTER

### June and August: Watch out for the sun!

- Wellness tip: Tips to protect your skin from the sun in summer
- COMPETITION: Freshest and healthiest recipes

### September: Take care of your psycho-emotional health

- Well-being tip: We take care of our psycho-emotional well-being
- 2023 medical examination campaign
- Start of Physiotherapy Service in Ulysses
- Flu vaccination campaign
- Registration in Liga Futbolempresas and Liga Padel Empresas
- RUNNERS CLUB: Workshop Race
- PADEL CLUB WiZink: POZO IV

### October: Ergonomics in the office

- Emergency teams: Practical firefighting training
- Well-being tip: psycho-emotional well-being and postural habits
- European Week of Safety and Health at Work: with the following activities:

### Webinar:

- \* Risks of sedentary work
- \* Psychoemotional well-being

### In-person workshop:

- \* Relaxation exercises and self-massage at the workplace
- \* Neck and back massage 15 min.

### Video:

- \* Exercises to do in the work chair

- TRAINING: Training in the use of defibrillators and CPR [PORTUGAL]

### November: Preventive Nutrition

- Wellness tip: Learn about the benefits of preventive eating
- BLOOD DONATION CAMPAIGN in the office with the RED CROSS
- PADEL CLUB WiZink: POZO V

### December: Stress management

- Wellness tip: Stress management
- RUNNERS CLUB: Business Race





During 2023, IBERALBION has carried out the following Health Promotion activities:

#### FIRST SEMESTER

##### January:

- Wellness tip: Keys to start the year with Health

##### February:

- Wellness tip: The importance of practicing sports for the prevention of Cancer

##### March:

##### Cardiovascular risk week

- Wellness tip: Tips to take care of your heart
- Contest: Healthy recipes

**Women's Month** - Webinar: - Women's Health

##### April:

##### World Day for Safety and Health at Work

- COMPETITION: Celebration of April 28 with a quiz contest on Safety at Work

##### Voice day

- Wellness tip: Tips to take care of your voice

##### May:

- Wellness tip: Tips to take care of your nutrition

##### June:

- Wellness tip: We prepare for the heat

#### SECOND SEMESTER

##### June:

- Wellness tip: This summer, Watch out for the Sun!

##### September:

- Wellness tip: We take care of our well-being
- Flu vaccination campaign

##### October:

##### World Vision Day

- Wellness tip: Eye health
- In-person workshop: Retina review
- Women's race

##### November:

##### Men's Health Month-

- Webinar: Men's health

In addition, WiZink offers various services to ensure the health of its employees at work. For example, in Spain the Bank has (i) medical assistance service in its central services, (ii) four semi-automatic external defibrillators. Likewise, (iii) a free Valora Prevention health card is offered to benefit from the advice of health specialists with special prices and advantages. Also (iv) there are benefits for pregnant women such as a parking space available from week 20 of pregnancy. Additionally, (v) employees have fruit bowls distributed throughout all plants with seasonal fruit at their disposal.

Finally, in 2016, the Bank adhered to the Luxembourg Declaration, so it has integrated the basic principles to promote and manage occupational health.

#### The situation caused by Covid-19 during this year 2023 has forced WiZink to carry out the following activities.

- Contingency Plan - Transitional Work Plan until the end of Covid-19: periodic review and update when appropriate.
- Update of the Occupational Risk Assessment including the risks derived from Covid-19.
- Adaptation of the facilities to comply with current regulations, updating them according to the evolution of the pandemic.
- Procedure for purchasing and delivering PPEs [masks...]
- Evaluation and monitoring of reported positive Covid-19 cases [detection of close contacts...]

Below, work accidents and their rates are broken down by and gender:<sup>5</sup>

WIZINK BANK, S.A.U. 2023	Men	Women
Frequency Rate [*]	0	0
Incidence Rate [*]	0	0
Severity index [**]	0	0

In 2023 there have been 11 accidents (including in-itinere accidents), 1 of them in the workplace and another on-mission. There have been no occupational illnesses in this period.

The accidents are broken down by legal vehicle<sup>6</sup> and gender of those involved in accidents below:

In 2023 there have been 11 accidents (including in-itinere accidents), 1 of them in the workplace and another on-mission. There have been no occupational illnesses in this period.

The accidents are broken down by legal vehicle and gender of those involved in accidents below:

2023	WiZink BANK, Spain		WiZink GESTION, S.L.		WIZINK BANK PORTUGAL BRANCH		IBERALBION, S.L.		Total WIZINK BANK S.A.U.	
	M	W	M	W	M	W	M	W	M	W
No. Accidents in itinere	3	1	0	1	0	0	1	2	4	4
No. Accidents not in itinere with sick leave	0	0	0	0	0	0	0	0	0	0
No. Accidents not in itinere without sick leave	0	0	0	0	0	0	0	3	0	3
<b>Total No. Accidents</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>7</b>

2022	WiZink BANK, Spain		WiZink GESTION, S.L.		WIZINK BANK PORTUGAL BRANCH		IBERALBION, S.L.		Total WIZINK BANK S.A.U.	
	M	W	M	W	M	W	M	W	M	W
No. Accidents in itinere	1	0	0	3	0	0	0	2	1	5
No. Accidents not in itinere with sick leave	0	0	0	0	0	0	1	0	1	0
No. Accidents not in itinere without sick leave	0	0	0	0	0	0	0	4	0	4
<b>Total No. Accidents</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>9</b>

<sup>5</sup> Data provided by mutual insurance society at the legal vehicle level

<sup>6</sup> Data provided by mutual insurance society at the legal vehicle level

[\*] To calculate the Frequency and Incidence Rates, accidents with sick leave are considered, excluding in-itinere accidents.

[\*\*] To calculate the Severity Index, the days lost due to accidents are related (excluding in-itinere).

The absenteeism rates for 2022 and 2023 are provided below:

Absenteeism 2023	WiZink BANK, S.A.U.	WiZink GESTION, S.L.	WiZink BANK suc PORTUGAL	IBERALBION, S.L.	TOTAL
Total absenteeism rate	4.4	27.7	0.8	7.8	<b>6.97</b>
Men absenteeism rate	2.8	35.5	0.0	6.4	<b>4.79</b>
Women absenteeism rate	6.0	25.7	1.4	8.3	<b>8.27</b>

Absenteeism 2022	WiZink BANK, S.A.U.	WiZink GESTION, S.L.	WiZink BANK suc PORTUGAL	IBERALBION, S.L.	TOTAL
Total absenteeism rate	2.9	15.3	1.2	9.5	<b>6.75</b>
Men absenteeism rate	1.5	22.3	0.4	7.7	<b>4.43</b>
Women absenteeism rate	4.1	13.8	1.7	10.2	<b>8.00</b>

In 2023, there were 131,295 hours not worked (equivalent to 18,756 days not worked), which represents 6.97% of the total hours worked. In 2022, absenteeism from work meant 142,870 hours not worked (equivalent to 20,410 days not worked), that is, 6.75% of the total hours worked. A slight increase in the absenteeism rate is observed during 2023<sup>7</sup>.

[\*] To calculate the absenteeism rate, the hours not worked by IT and AT are taken into account.

<sup>7</sup> We have eliminated the hours of maternity, paternity and breastfeeding from the calculation of this index, following its definition and recalculated the data for 2022.

## 6.5. Corporate Relations

### Dialogue, consultation and engagement with employees

WiZink is the result of the integration of collaborators from various companies with very different cultures, which has helped develop and strengthen a corporate culture with well-defined values, generating a feeling of involvement and commitment.

An open dialogue is guaranteed with workers' representatives, in those entities that have them, based on transparency and mutual trust. Formal and informal meetings with unions are held regularly, whenever requested by either party. Likewise, agreements are reached that both parties consider benefit the interests of employees, improving what is established in current regulations.

In all matters related to employees, WiZink acts with full responsibility and compliance with all national and international labor standards [European Union legislation and International Labor Organization Conventions signed by Spain and Portugal].

#### Internal communication at WiZink

Internal communication at WiZink is carried out with the objective of disseminating an open culture of participation and transparency within the organization.

WiZink's main communication channel is the Intranet, with several internal pages in both Spain and Portugal.

On the other hand, WiZink carries out several surveys to find out and act on the opinions of all employees. The objective of these surveys is to collect suggestions, request opinions or evaluate initiatives.

#### Collective bargaining agreements

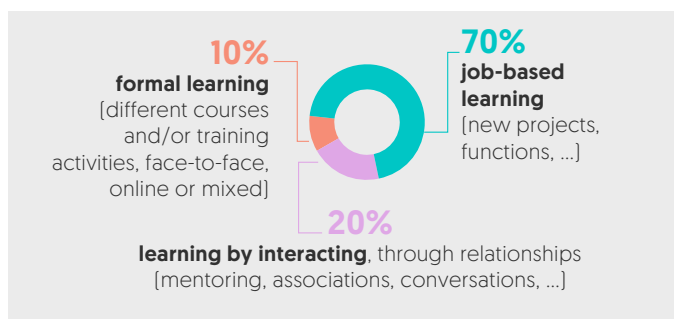
In Spain, different agreements apply to all employees depending on the activity carried out by each company. Thus, the Collective Agreement for Banking, the Collective Agreement for Offices and Offices of the Community of Madrid, the Collective Agreement for Financial Credit Establishments and the State Collective Agreement for Contact Center. In Portugal, all employees are covered by the Banking Agreement, except for one employee, whose employment relationship is governed by the General Law.

Specific measures regarding health and safety at work are included in the different collective agreements applicable to WiZink. In this sense, the Department of Occupational Risk Prevention ensures compliance with the different provisions in this matter. In addition to this, this department actively works to promote numerous health promotion actions [see section 6.4. Health and Safety]. In Spain there is representation of workers in health and safety committees.

## 6.6. Training

WiZink's Development and Learning Model emphasizes the responsibility of each employee for their professional career and learning and is based on the 70/20/10 Model.

Fundamental pillars of this model:



At the beginning of the year, WiZink launched the "Training Plan 2023", aligned with business objectives and the training needs identified with the teams.

This Plan is organized in 4 large blocks: [i] Internal sessions "My tips", [ii] Expert sessions "Experts", [iii] Training platform and [iv] Upskilling (training plan), which includes mandatory regulatory training and specific technical training.

Additionally, this year a program was launched to enhance the leadership of Managers in the Lendrock and Aplazame businesses.

The Aplazame business unit organizes its technical training in a mixed manner, where each employee, in agreement with their manager, decides their development and training actions and also participates in the open training that the Company offers.

For its part, training actions at the Iberalbión subsidiary have focused on providing its employees with financial management skills, office tools, emotional management and office coexistence skills, as well as personal well-being training. Training actions have also been developed aimed at preparing new incorporations, reinforcement training and new procedures and processes in the Call Center, SCCU, Credit Initiation, Fraud-FinCrime and Operations area services.

During the year 2023, the following hours of training have been provided by professional category. The total number of hours includes Wizink Bank, Wizink Gestion, Portugal Wizink Office and Iberalbion.

Professional Category	Total Hours
Directors & Senior Management	1,848
Administrative staff	5,035
Technicians & Middle Management	7,644
<b>TOTAL</b>	<b>14,527</b>

### 6.7. Universal accessibility

The WiZink Group has 12 people with disabilities (all of them with a degree of disability greater than 33%, except one with a degree of disability of 15%), among its employees and offers a completely accessible environment free of discrimination.

Likewise, the company has formalized contracts with special employment centers and actively collaborates with them to supply some services and products, such as the preparation of Christmas baskets or the provision of the intermediation service to organize the trips that the WiZink employees carry out in connection with their provision of services. Currently, the entities are in the process of acquiring the certificate of exceptionality for the adoption of alternative measures, which was already granted at the time. Specifically, in Iberalbion, there is already this certificate and it is valid until 2025.

All WiZink work centers are accessible and have workstations adapted to people with special needs. In addition, the specific needs of people with disabilities are taken into account, providing them with areas with lockers and designated parking spaces. WiZink also has a procedure through which, when an employee requires an adapted position, Occupational Risk Prevention/HR validates the need and indicates the necessary requirements [headrest, height-adjustable table...].

### 6.8. Diversity & Gender Equality

WiZink is fully committed to equal treatment and opportunities between men and women, encouraging and promoting policies that favor real gender equality, both in selection processes and at a remuneration and management level. Likewise, it is the intention to continue with the current trend of promotion and improvement in the access and permanence of women in employment, enhancing their training level and their adaptability to the requirements of the labor market, in order to maintain a balanced presence of women and men in the organization.

WiZink considers diversity as one of the company's main values, as well as an instrument of value creation. For this reason, diversity is promoted in all its teams. This frames all dimensions, such as age, nationality, experience and knowledge.

WiZink has a balanced representation of men and women on its highest Management Committees. Thus, half of the members of the Management Committee are women and two of the five members of its Executive Committee are women. In addition, equality and equitable remuneration between men and women are promoted.

WiZink has different Equality Plans, some of which come from the entities to which the employees belonged in the past and which are in the process of updating. Others, such as the one applicable in Iberalbión, were recently negotiated with the legal representation of the workers and have been in force since February 2019. Both the WiZink Bank and WiZink Gestión equality plans are in the process of negotiation in within the respective Equality Commissions of these entities and it is hoped that progress will soon be made in the mandatory social negotiation in order to have consolidated documents equally soon. In any case, there are, at all levels, different measures that promote flexibility and balance between personal and family life, with special attention to situations arising from maternity/paternity leave.

At WiZink we have a specific anti-harassment procedure for all its employees. This allows them to adopt the necessary measures, as part of their responsibilities, to guarantee a work environment free of harassment in psychosocial terms, which does not allow or accept this type of behavior. In the case of Iberalbion employees, they have a procedure specifically negotiated for them, and in force since February 2019, having been incorporated as part of the Equality Plan.

The objective of the anti-harassment procedure is to establish an alternative action plan in the company, in addition to the Ethical Mailbox reporting irregularities channel, available to all workers who detect or are affected by any type of harassment (in any of the forms or aspects defined in the protocol). In this way, the necessary steps can be followed quickly and effectively to resolve, with the greatest confidentiality and discretion, all situations that may arise, through the adoption of appropriate measures.



# 7. Commitment to society





## 7. Commitment to society

### 7.1. Company commitment to sustainable development

#### Social Investment Projects

In 2023, **WiZink** continued to support various social investment projects focused on improving the life and integration of disadvantaged groups, through innovative social initiatives. In this regard, **WiZink** collaborates with four organizations:

- **Fundación A La Par** [Spain], which works for the rights and full participation of people with intellectual disabilities in society. A La Par franchised a Rodilla restaurant on Arturo Soria street, close to the WiZink offices in Madrid, which became the first restaurant in Spain managed and attended by staff with intellectual disabilities.
- **Fundación San Ezequiel Moreno** [Spain], which aims to integrate people from different cultural backgrounds in a situation of social vulnerability, accompanying them in their professional development and in social or family situations.
- **Asociación Talismán** [Spain] that works on creating and developing professional training projects that facilitate the socio-labor insertion of young people with intellectual disabilities.
- **Asociación Crescer** [Portugal], an entity founded more than 18 years ago that promotes the social inclusion of vulnerable groups. Crescer manages the restaurants 'É um Restaurante' and 'É uma Mesa' in Lisbon, which aim to offer training and create employment opportunities in the restaurant sector for homeless people or those who have lived on the street. Two projects where training, experience, and service are directed at people in

vulnerable situations, with a view to their social inclusion and the improvement of their living conditions.

In 2023, WiZink supported these organizations through the following initiatives:

- "Solidarity Tickets": The bank devoted a number of the tickets it receives through its sponsorship program of the **WiZink Center**, for some high-demand events, in exchange for donations from the employee (below the market value of the tickets). Through this initiative, **WiZink** employees purchased 489 tickets in 2023, raising a total of €20,392.15, €10,827.98 destined for the **Asociación Talismán** and €9,564.17 for the **Fundación A La Par**. This same initiative has started with a pilot test in Lisbon through the agreement that WiZink has with CF Benfica, offering tickets for a football match between Benfica and Sporting de Portugal. During the next year, it is expected to formalize and increase the scope of the initiative in Portugal.
- Solidarity markets: WiZink held three markets in its offices in Madrid and Lisbon, so that employees had the opportunity to acquire goods and support the different organizations:
  - Sale of Easter flowers in Madrid prepared by the **Asociación Talismán**, raising €556.
  - Solidarity corner of Christmas details of the **Fundación A La Par** during the company's Christmas cocktail in Madrid, raising €380.
  - Auction of various utensils of the **Asociación Crescer** during a company event in Lisbon, raising €220.
- Donation of corporate gifts: as in past Christmases, in 2023 WiZink employees have donated corporate gifts, received from partners and suppliers, directly to the organizations **Asociación Talismán** in Spain and **Crescer** in Portugal, which used them in their own markets for fundraising or as gifts to the needy people who are supported by their projects.



\* Este importe es parte del reflejado bajo el apartado 5 como aportaciones a fundaciones y entidades sin ánimo de lucro.



- Christmas baskets: the Christmas baskets of the employees of Spain have been bought from an employment center “EMPLAZADOS SOCIAL S.L.” of the **San Ezequiel Moreno Foundation**. Additionally, the baskets of the employees who chose to donate them were delivered to the **Asociación Talismán** in Spain and to **Crescer** in Portugal. In the case of Portugal, as a complement to the baskets, a collection of food was also made for the families who receive the support of the Asociación Crescer.
- Celebration of events: WiZink hired the spaces and the catering of the restaurants managed by the **Asociación Crescer** for the celebration of events with all the staff of Lisbon before the summer and Christmas holidays.

Additionally, in 2023 WiZink has maintained its status as a member of the United Nations Global Compact, an international organization with more than 15,000 companies committed to respecting human rights, decent work, the environment, and the fight against corruption.

### Volunteer Programs

In Madrid, WiZink carried out a corporate volunteering program to offer students between the ages of 14 and 17 a real work experience by sharing part of a working day with a professional in a sector in which they might be interested in working in the future. The WiZink volunteers who participated in person received the students at their facilities. Those who carried out the activity online proposed exercises and challenges to the students that brought them closer to the challenges and situations we find in our daily work. This was the first of three volunteering initiatives planned for the 2023-2024 school year. For the development of the program, WiZink had the support of the Junior Achievement Foundation, with extensive experience in this type of activities. In total, 12 WiZink volunteers participated and trained 20 students. With this program, WiZink trusts to have

provided the students with a contact with the working world and to have advanced what some of the skills they will have to develop to work in their areas of interest are, so that they can better prepare for their future employment opportunities. The rest of the volunteering actions will be carried out throughout the second and third trimester of the 2023-2024 school year.

In Lisbon, WiZink carried out two corporate volunteering programs. The first was “Building a Digital Society” to help students between the ages of 14 and 17 improve their digital skills and understand the concept of Digital Transformation. In it, WiZink volunteers conducted training sessions in schools and institutes in Lisbon located in areas with a lower income. For the development of the program, WiZink also had the support of the Junior Achievement Foundation. In total, 28 WiZink volunteers participated and trained more than 280 students.

The second corporate volunteering program in Lisbon was the “In My School’s Bank” program, an initiative of the Associação Portuguesa de Bancos that promotes financial education in schools for students aged 14 to 17, and in which WiZink participated by taking charge of 3 schools. In the first session, 6 WiZink volunteers participated in the sessions training 350 students in the theme of “Planning and Management of a Family Budget”. The rest of the training sessions will be carried out throughout the second and third trimester of the 2023-2024 school year.

### WiZinkCenter Sponsorship

The sponsorship of the WiZink Center in Madrid continues to have a very relevant impact on the promotion of sports and culture. The funding received by the facilities from WiZink contributes to the improvement of the venue in terms of safety and conditioning so that a multitude of relevant cultural events that indirectly contribute to job creation and the local economy can be developed in it.



United Nations  
Global Compact

The WiZink Center was the fourth venue in the world with the highest ticket sales in 2023, and the second at the European level, as certified by the “Top 200 World Arenas” ranking published at the end of each year by the international music magazine Pollstar, based on ticket sales data from all venues internationally.

During 2023, 207 events were held with more than 1,700,000 tickets sold, of which 68 were sports events, highlighting the basketball competitions of Real Madrid, in Euroliga and Liga Endesa, and Estudiantes; or the match between Real Madrid and the Dallas Mavericks.

Among the concerts, a total of 124, stand out Romeo Santos, Duki, Blink 182, Bjork, Roger Waters, or national artists such as Aitana, Alejandro Sanz, Leiva or Melendi. Likewise, 2023 was a very special year for the venue, as the concert of Raphael on December 16 was the 1,000th concert since the reconstruction of the venue in 2005.

## 7.2. Subcontractors and suppliers

WiZink has a purchasing and supplier management policy in place called Supplier Selection and Management Policy, updated in September 2023. It establishes the guidelines for selecting and managing external suppliers, in order to guarantee that there are adequate controls for protect the assets, reputation and interests of WiZink and its customers.

For WiZink, the management of suppliers is especially important when any of its functions are outsourced, specially the company’s critical functions, so the policy has been developed in line with the EBA Guidelines and Rule 43 of Circular 3/2022 of the Bank of Spain, with the following objectives:

- Optimisation of suppliers to maximise economic leverage and risk supervision capacity.

- Standardise supplier selection and management criteria.
- Document the requirements for the selection and management of suppliers.
- Have a standard and consistent contract that meets the applicable legal and regulatory requirements.
- Gather accurate and relevant supplier information that can be shared across the Group.
- Comply with the WiZink’s Code of Conduct and applicable policies, as well as the legal and regulatory requirements applicable in all jurisdictions.
- Act in accordance with the socially responsible practices of the sector.

Effective supplier selection strategies and management of supplier-related risks are critical for WiZink to meet its operational objectives and mitigate key risks, including legal and compliance risk, operational risk, financial risk, strategic risk, technological risk and reputational risk. For this reason, in all cases a due diligence is carried out prior to hiring, and an annual review of critical suppliers is carried out. Additionally, the Bank has successfully passed the Internal Audit Review on outsourcing essential business functions or services to external providers within the period 2023, which applies to 11 suppliers classified as critical, in accordance with Royal Decree 84/2015 and rule 43 of Circular 2/2016, amended by Circular 3/2022, of the Bank of Spain. The result of the audit has been notified to the Board of Directors in December 2023.

Suppliers are divided into four categories according to the Company’s risk exposure. Due diligence and supplier auditing processes are subject to their segmentation, so that the more critical the supplier, the more robust the control applied to it. The most critical suppliers are monitored to identify possible incidents, despite the fact that there are no suppliers with relevant risks related to the environment, society, or equality.

Each supplier has an assigned service owner who, as established by the policy, carries out the relationship with suppliers, including



performance management and an annual risk assessment and review. These activities include daily dealings with vendors regarding support and service delivery. In 2023, 551 evaluations were carried out on suppliers, all of them approved.

Due to the activity of the company, its suppliers provide mainly auxiliary services for the development of financial activity such as advice or technological services. However, the standard framework contract model has a clause which includes social and environmental criteria for general management of suppliers. Likewise, at the end of 2023, ESG criteria have been incorporated for future supplier selection processes, including a specific questionnaire in the RFP [Request for Proposal] process.

Lastly, WiZink contributes to the development of employability and local development by counting on local suppliers which represent 86%.

### 7.3. Customers

#### Complaints management

WiZink has a Customer Service & Complaints Service [hereinafter "SAC"], which is responsible for guaranteeing the protection of customers' rights by dealing with their dissatisfactions and complaints. This service is separate from the commercial and operational services, carrying out its function independently and on the basis of:

- The correct application of internal policies and procedures.
- Proper compliance with WiZink's contractual obligations with customers.
- Compliance with applicable regulations and good practices published by the Bank of Spain and the Bank of Portugal.

The channels available for customers to submit their complaints are as follows:

- Spain: customers can submit their complaints to WiZink by e-mail ([reclamaciones@wizink.es](mailto:reclamaciones@wizink.es)) or by post. Once a complaint has been made to WiZink, those customers who are not satisfied with the response or who have not received it can complain to the Bank of Spain or the Directorate General of Insurance and Pension Funds [DGS].
- Portugal: customers can submit complaints to WiZink by email ([reclamacoes@wizink.pt](mailto:reclamacoes@wizink.pt)) and post and to Bank of Portugal or Insurance and Pension Funds Supervisory Authority [ASF], i.e., there is no prior requirement to submit a complaint to the bank before complaining to the regulators.

WiZink's SAC has specialised teams that manage the dissatisfactions and complaints by means of a systematised treatment of registration, analysis and control of the same, and classify them according to the different typologies. All of this allows us to identify the causes of customer dissatisfaction, the problems and, as a final result, the appropriate solutions for each case. At WiZink we use the information obtained through claims and complaints to improve our products and services offered and as an early warning system to identify potential risks.

The breakdown of SAC's activity in 2023 is shown in the table below:

Key data	Spain	Portugal	Total WiZink Bank S.A.U.
<b>Complaints received in 2023</b>	29,435	3,610	<b>33,045</b>
<b>Closed complaints favorable to the customer</b>	723	718	<b>1,441</b>
<b>Closed complaints unfavorable to the customer</b>	19,410	2,920	<b>22,330</b>
<b>Complaints Pending resolution</b>	1,393	78	<b>1,471</b>
<b>Complaints not admitted for processing</b>	9,870	144	<b>10,014</b>

In 2023, one of the main lines of work of the SAC, in direct collaboration with the Fraud team, has been the resolution of fraud cases related to operations in online merchants with cards and the increasingly sophisticated fraud techniques. WiZink has carried out communication and education campaigns for clients on cyber fraud during 2023 with the aim of raising awareness among our clients of the precautions to take to avoid becoming victims of cybercriminals.

Some of the complaints filed by customers result in legal claims. The nature and impact of these claims on the bank's financial position and results of operations are described in more detail in Notes 22 and 42 to the Consolidated Financial Statements.

## Customer safety measures

### [Help customers in managing their finances](#)

In the day-to-day of customers, WiZink keeps customers informed about their products, usage and expenses through clear and accessible contractual terms and conditions, always up-to-date information on digital channels and by sending customers a detailed monthly statement, and alerts so customers can monitor their level of spending and identify fraudulent use.

In addition, customers are offered the option of adapting their products and services to their needs, choosing and flexibly changing their payment method, selecting their preferred service channels, being informed at all times of the costs associated with the financing of their purchases.

WiZink strives to ensure the safety of its customers through various mechanisms related to money management and online behaviour and offers a comprehensive financial education program "Uncomplicated Finances", recognizing that customers have different information needs when it comes to understanding and managing their products and services. In

2023, WiZink made numerous posts on the "Uncomplicated Finances" Blog aimed at education in digital capabilities and responsible financing. Topics related to the use of the card through digital channels and others aimed at the customer being able to understand the product and make responsible use of credit were explained. In addition to the Blog, which is available on the public web, WiZink also made communications in this regard through social networks and other customer communication channels.

Additionally, in 2023, WiZink created a specific space on the public web "Manage your card" where clear and intuitive instructions are provided on the start-up and proper use of the credit card, its benefits, deferral methods and payment options, as well as various information about the operation of the product. This space also includes direct access to a simulator where the customer can calculate the repayment term of their card debt and the interest to be paid based on the selected instalment, so that it serves as a help when selecting a suitable monthly instalment for the payment of their debt.

In 2023, WiZink continued to offer an effective response to the growing phenomenon of Cybercrime, ensuring that customer data is protected in the best possible way against these forms of fraud.

Among the measures implemented and reinforced by WiZink to help customers protect themselves against cyber fraud are SMS alerts for operations over €80, investment in fraud prevention and detection solutions, with the aim of strengthening and hardening the Bank's fraud risk mitigation rules, and fraud prevention education for customers, who periodically receive notices on various platforms, either by email, on the website or through the WiZink App, and social networks, warning them not to provide personal data to third parties, safeguarding their protection and the protection of their credentials.

In addition, WiZink has a line of private label insurance products, both in the Spanish and Portuguese markets, as a result of the collaboration agreement with iptiQ, the B2B2C digital insurer of the Swiss Re group. With this offer, WiZink makes available to its customers realistic, personalized products suitable for customer needs, offering a wide range of coverage and benefits at a very competitive price and free for the first month. Customers can contract their insurance by phone, and soon through digital channels on the WiZink website and App.

#### Fraud Prevention

For WiZink, one of the main risks for the security of its customers is fraud. For this reason, it has a robust fraud prevention system. If unusual movements are detected with the WiZink credit card, the Bank contacts the customer to confirm these transactions and quickly block the card to prevent possible fraud. In addition, the holder will not be responsible for the financial consequences resulting from the use of a lost, stolen, or counterfeit card, provided that there is no negligent behaviour, and that the client has made the corresponding report of card theft.

Cyber-threats have become more frequent and sophisticated during the Covid-19 pandemic, due to society's greater exposure to digital, making fraud the most present problem. Online purchases by WiZink cardholder customers have reinforced security thanks to the implementation of the Double Customer Authentication system, or SCA (Strong Customer Authentication), which more robustly identifies the person who performs an online payment transaction and therefore, it reduces the possibilities of fraud.

#### Free Insurance

All customers for the mere fact of being WiZink card holders have free accident insurance, travel assistance and purchase protection in Spain and Portugal. In addition, in Portugal where we have stands in shopping centres, we guarantee customer protection in the event of an accident with civil liability insurance.

The summary and coverage of the free WiZink card insurance can be consulted on WiZink's public websites at: [www.wizink.es/segurostarjetas](http://www.wizink.es/segurostarjetas) and [www.wizink.pt/public/vantagens-wizink/seguros](http://www.wizink.pt/public/vantagens-wizink/seguros).

#### Mobile Payments

In Spain WiZink makes available to its card customers, wallets for mobile payment:

- Samsung Pay and Apple Pay: allow you to register the WiZink card in these applications.
- Google Pay: since September 2021, payments can be made through this platform, compatible with all WiZink cards.

In Portugal, customers can associate their WiZink cards to MBWay, the MULTIBANCO solution that allows you to make purchases online and in physical stores, generate virtual cards, send, request money, and withdraw money at ATMs, through their smartphones.

For payments through Contactless technology, in the national territory and in other EEA countries, the maximum amount per payment transaction without a PIN is €50 and the overall value of successive contactless transactions is €150. Outside of the EEA, small amount contactless transactions are limited to the maximum number of 2 successive transactions per 24-hour period, with the maximum amount per transaction depending on the country in question.



## 7.4. Tax information

Consolidated Group information:

Profit before tax (thousands of euros)	España	Portugal	Total
WiZink GROUP	(51,957)	44,158	(7,799)
<b>TOTAL</b>	<b>(51,957)</b>	<b>44,158</b>	<b>(7,799)</b>

Taxes paid (thousands of euros)	España	Portugal	Total
WiZink GROUP	(23,898)	(16,700)	(40,598)
<b>TOTAL</b>	<b>(23,898)</b>	<b>(16,700)</b>	<b>(40,598)</b>

In 2023 WiZink has not received any Government grant.



1	2	3	4	5	6	7	8	9	10	11
Introduction	Materiality study and ESG strategy	Business model	Risk Management	Fighting corruption and bribery	Social and employee-related issues	Commitment to society	<b>Respect for human rights</b>	Environmental matters	EU Taxonomy	Appendix
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____



# 8. Respect for human rights





## 8. Respect for human rights

WiZink reaffirms its commitment to respecting human rights, although it does not have a specific policy in this regard. WiZink’s Code of Conduct clearly establishes the standards of conduct that include the safeguarding of these fundamental rights and is integrated with the values and ethical principles of the organization, supported by solid pillars of good corporate governance and professional ethics among our employees. In recognition of the growing importance of ethical issues, WiZink includes human rights in the corporate risk map.

WiZink maintains zero tolerance for harassment, discrimination or any violation of human rights. That is why the Company has a Whistleblowing Channel through which both employees and other people who maintain or have maintained a relationship with WiZink can report any situation that goes against WiZink’s ethical principles or the Code of Conduct, guaranteeing total confidentiality and anonymity of the complainant if requested.

In 2023, there were no relevant incidents in terms of discrimination, harassment, human rights, or corruption. A single complaint has been received through the Whistleblowing Channel, unrelated to this topic, which after being evaluated, was closed without risk or necessary actions.





# 9. Environmental matters



## 9. Environmental matters

WiZink's commitment to the environment is reflected in the design of its offices, where sustainability is a reference value. The buildings in Madrid, Zaragoza and Lisbon have highly efficient energy facilities.

During 2023, improvements have been made to the facilities in terms of the different consumption of electricity, gas, paper and its destruction, achieving reductions of 21%, 49%, 55% and 56% respectively, on average in Ulises, Plaza, Titian and Colombo.

In relation to the Plaza building, located in Zaragoza, the reduction is due to the installation of the new BMS (Business Management System) management program which makes an improvement in the operation of the air conditioning equipment.

Also noteworthy is the replacement of fluorescent lighting with LED equipment in basements, hallways and floors, all halogen spotlights with LED lamps, and the placement of motion detectors in basement hallways and dining rooms.

Similarly, garden irrigation has been automated using time clocks to control water consumption.

With respect to Portugal, it should be noted that the building in which WiZink Bank's offices are located has been certified with LEED Platinum.

In addition, WiZink has a preventive maintenance plan for all facilities, as well as an annual property budget (2023 Plan) for each building.

Regarding company vehicles, of a fleet of 108 vehicles, the mix of 50% of them is maintained in low emissions models (29% ECO and 21% Zero emissions) and the other 50% in label model C, as in 2022.

The Code of Conduct also defines the guidelines that employees must follow, within the scope of their competencies, to reduce or avoid as far as possible any environmental impact caused by their activity.

WiZink has carried out a materiality analysis of the risks derived from climate change and environmental deterioration, evaluating its impact on the material risks for the entity (Credit, Liquidity and Operational) concluding that, due to the digital activity and the nature of the business of WiZink, these risks are not material for the Entity and therefore it is not considered necessary to adopt specific measures in relation to this. For this reason, WiZink does not have a specific environmental policy.

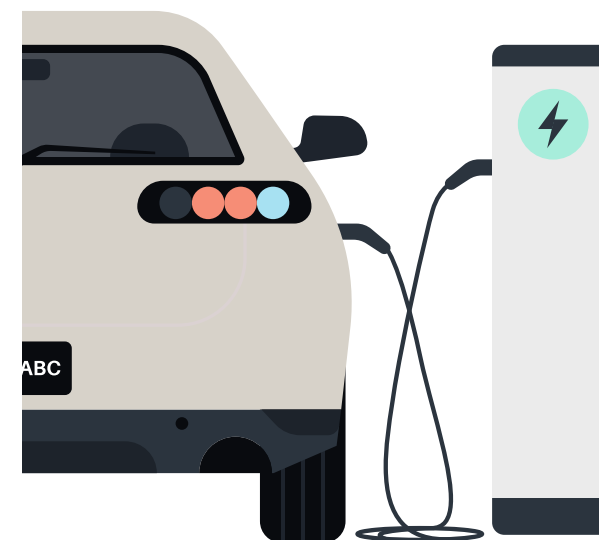
### 9.1. Sustainable use of resources

The main consumption made by WiZink is that of electricity generated from the operation of its offices, where a sustainable use is guaranteed through:

- The closing of the doors and the lights off as of 7:00 p.m. on weekdays and during holidays and weekends.
- The installation of light and climate sensors.
- Planning of follow-up and improvement actions for all buildings.

The total electricity consumption of WiZink in 2023 was 2.293.466 kw/h, 13% less than in 2022.<sup>7</sup>

WiZink does not consume electricity with a guarantee of a renewable origin. According to the information provided by the electricity provider regarding its energy mix, the electricity consumed in WiZink's buildings would have been generated by the following technologies:



<sup>7</sup> Estimated electricity consumption for the month of December at the WiZink headquarters in Ulises (22,000Kwh).

- Ulises and Zaragoza: 30.86% in Renewable Energy, Natural Gas 28.23% and nuclear energy 25.85%. Cogeneration is the procedure by which electrical and thermal energy is simultaneously obtained, this gives greater energy efficiency, with high efficiency being 3.5% and cogeneration 7.6%.
- Colombo: The sources of energy consumed are generated as follows: Natural Gas 49.06%, Fossil Cogeneration 3.5% and Hydro 10% [these values are average values].
- Tiziano: 44.47% in Renewable Energy, high efficiency cogeneration 3.54% and cogeneration 7.6%, the largest sources of energy are generated through natural gas and nuclear around 16.7% and 20.13% respectively.

	2023	Measure
<b>Energy consumption<sup>8</sup></b>		
<b>Direct (Electric Power)</b>	2,293,466	Kwh
<b>Emissions</b>		
<b>Scope 1 TnCO<sub>2</sub> (Gas, Gasoline, Diesel)</b>	69	TnCO <sub>2</sub>
<b>Scope 2 TnCO<sub>2</sub> (Electric Power) Spain</b>	338.63	TnCO <sub>2</sub>
<b>Scope 2 TnCO<sub>2</sub> (Electric Power) Portugal</b>	6.30	TnCO <sub>2</sub>

During 2023, Endesa sent to WiZink its Sustainability Seal for 2022, declaring that Endesa's contract for the Zaragoza building is 100% sustainable, equivalent to a saving of 591 tonnes of CO<sub>2</sub>.

As WiZink is a digital company with a presence in Portugal and Spain, encourages the use of tools such as Teams, to hold its

meetings by videoconference, thus reducing the number of trips and CO<sub>2</sub> emissions.

TRAVEL	2023
<b>Employee travel (km)</b>	308,965
<b>Emissions (ton. CO<sub>2</sub>)</b>	67.53

Having traveled almost 12% more km per employee, the consumption of ton. CO<sub>2</sub> has only increased by 8%.

WiZink's activity does not affect emissions related to noise or light pollution, or any other form of atmospheric pollution.

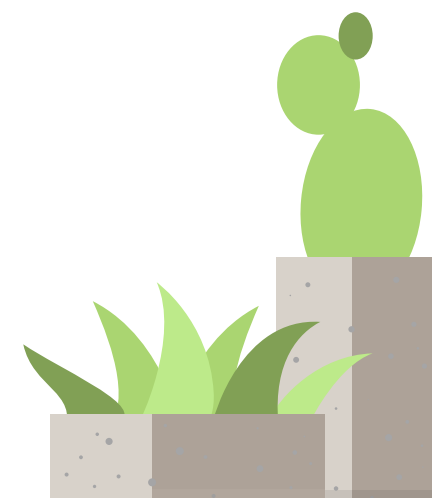
#### Other resources consumed

WiZink promotes the reduction of other resources consumed such as water and paper. To minimise water consumption, WiZink maintains water flow regulators on taps in its offices. The increase in water consumption this year 2023 is due to the rental by Wizink Bank S.A.U. of the plot located in Bari Street nº11, Plaza industrial state in Zaragoza to Inditex. Regarding paper consumption, it is 41% lower.

	2023
<b>Water consumption (m<sup>3</sup>)</b>	9,060
<b>Paper consumption (kg.)</b>	1,740

Furthermore, the responsible use of paper is part of WiZink's working method. In order to reduce paper consumption, WiZink has a mobile printing software for all office IT (Information Technology) equipment, allowing printing using a card and so reducing unnecessary paper usage.

Thanks to all the efficiency measures described and as a sign of its commitment to the environment, Wizink has set itself three goals to reduce its ecological footprint by 2025<sup>9</sup>:



<sup>8</sup> Estimated electricity consumption for the months of November and December at the WiZink headquarters in Ulises [22,000kwh].

<sup>9</sup> Reduction targets based on the year 2019.

- 35% reduction in CO<sub>2</sub> emissions [scope 1 and 2]
- 20% reduction in electricity consumption
- 30% reduction in paper consumption

The level of compliance with these commitments is monitored annually. Due to the significant reduction in consumption in 2023, the evolution of the three indicators is fully aligned with the fulfilment of the set objectives.

## 9.2. Circular economy

During 2023, WiZink has granted €4.9M in eco loans [€4.5M in Spain and €0.4M in Portugal], a product intended to finance projects to improve energy efficiency [eg installation of solar panels]. Additionally, to continue promoting the growth of this loan, in 2023 WiZink has closed collaboration agreements with 46 solar panel installation companies to offer financing to its clients, together with the 3 signed in 2022 make a total of 49 agreements. As a sign of WiZink's commitment to the environment, the eco loan is offered at a more attractive interest rate than other types of loans.

WiZink also takes into account environmental factors in credit cards, its main product today, since all new cards in Spain and Portugal are made with recycled plastic.

Our plastic card provider complies with Royal Decree 110/2015 on waste electrical and electronic equipment known as WEEE [WEEE], and is registered in the Comprehensive Industrial Registry with reference 6893, within the special section for EEE producers [RII -AEE], where it updates the data on a quarterly basis.

Additionally, we include the manufacturer's name on all cards and to provide information to our customers that helps to avoid further harmful effects on the environment, the following is indicated in the card's shipping letter:



Para evitar los efectos nocivos en el medioambiente y la salud debidos a la presencia de sustancias dañinas en los AEE (artículos eléctricos y electrónicos), por favor no tires tu tarjeta caducada al contenedor de basura común y deposítala separadamente para su reciclaje, de acuerdo al RD 110/2015. Información sobre el fabricante del plástico en [www.idemia.com](http://www.idemia.com).

Translation: To avoid harmful effects on the environment and health due to the presence of harmful substances in EEE (electrical and electronic items), please do not throw your expired card in the garbage container and deposit it separately for recycling, according to RD110 / 2015. Information on the plastic manufacturer at [www.idemia.com](http://www.idemia.com)

In relation to prevention measures, recycling and reuse, WiZink has placed recycling points for packaging, glass and organic and paper waste on all floors. In addition, in reception, and in other places around the office, there are units for recycling batteries, various office consumable items, light bulbs and cardboard. In the Welcome manual – published on the intranet – it is recalled that these clean recycling points exist.

Furthermore, in the Lisbon office the removal of single use plastics continues, having replaced this material with paper. Moreover, all employees in Lisbon have a reusable bottle and the plastic bottles have been removed in the meeting rooms in Spain and Portugal.

In 2023, the Madrid and Lisbon offices sent 7.58 tonnes of paper and cardboard to be recycled through an authorized waste manager, compared to the 12.6 tonnes recycled in 2022 due to the 66% reduction in paper use. The recycling ratio compared to paper use is maintained.

# 10. EU Taxonomy



## 10. UE Taxonomy

Article 8 of the taxonomy regulation (Regulation [EU] 2020/852 of the European Parliament and of the Council, of June 18, 2020), requires entities to disclose the manner and extent to which their activities are associated with economic activities classified as environmentally sustainable.

The European Taxonomy is a classification of economic activities that contribute to achieving the 6 environmental objectives of the European Union:

1. Climate Change Mitigation
2. Climate Change Adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

This list of activities allows investors to know objectively whether an activity contributes to the EU's sustainability goals and therefore to have objective and comparable criteria in this respect when making investment decisions.

In 2021 and 2022, WiZink published the eligibility ratio showing the proportion of balance sheet activities that are among the activities included in the European Taxonomy for the first two environmental objectives, but without determining whether they are aligned.

In 2023, financial institutions must publish for the first time the Green Asset Ratio (GAR) for the first two objectives and the eligibility ratio of the four remaining four objectives. To be considered aligned, an activity must meet the specific requirements established in the Taxonomy, ensure that it does not cause significant harm to the other environmental objectives and that meets the minimum social safeguards.

WiZink is currently unable to report assets aligned with the taxonomy for the first two environmental objectives (Climate Change Mitigation and Climate Change Adaptation).

The only products in WiZink's portfolio related to eligible activities are auto loans (second-hand cars financing), Eco loans (renewable energy financing) and Reforma loans (housing rehabilitation financing). In its personal loans business, WiZink does not currently collect documental evidence that the loan is used for the intended purpose, hence it is not possible to justify the alignment. WiZink launched this new business line at the end of 2021 and, since then, has progressively refined its technological and operational processes as the business has scaled. For this reason, the compilation of this documentation is a pending development, and will be prioritised in the future as WiZink continues to develop its personal loans business.

The proportion of covered assets financing sectors belonging to the Taxonomy out of the entity's total assets is **5,40% in terms of stock** and **3,21% in terms of flow**.

Therefore, WiZink's coverage ratios are currently low. This is because most of the balance sheet is still composed of its credit card business, which are assets not covered by the Taxonomy. As WiZink continues progressing in its diversification strategy, described in section 3.3 Objectives and Strategy, and growing its lending business, these ratios will increase.

For the calculation of the indicators reported in this section, a procedure has been followed consisting of the application of the definitions, scope and methodologies established in the Taxonomy Regulation, carrying out the relevant validation and control procedures, and in particular reviewing the consistency with the information reported in the Annual Accounts.

The different tables established in the Taxonomy regulation are detailed below:



## 0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

### 1. Assets for the calculation of GAR

The table detailed on the following page includes:

- Covered assets in both numerator and denominator:** The entire financing portfolio is made up of individuals. WiZink does not provide financing to companies. Nor does it provide loans with mortgage collateral. Out of the loans offered by WiZink, only the Eco and Reforma loans (building renovation loans line) and the auto loans in the corresponding line fit the requirements of this section.
- Assets excluded from the numerator for GAR calculation [covered in the denominator]:** In regards of the investment portfolio, all the fixed income corresponds to public debt (Spanish and Portuguese Treasury), treasuries from the LisboaPR Metropolitano and public administrations (Comunidad de Madrid and Xunta de Galicia). On the other hand, equities are concentrated in 6 portfolios, all of them of companies whose main business is not related to eligible activities.
- Assets not covered for GAR calculation:** The public debt described in the previous section and the cash and cash balances in central banks and other demand deposits, both in Spain and Portugal, have been considered. Investment in bonds issued by sovereign or supranational issuers has also

		Total environmentally sustainable assets*	KPI**	KPI***	% cobertura (over total assets)****
Main KPI	Gren asset ratio (GAR) stock				5,40%

		Total environmentally sustainable assets*	KPI**	KPI***	% cobertura (sobre los activos totales)****
Additional KPIs	GAR (flow)				3,21%
Additional KPIs	Trading book*****				
Additional KPIs	Financial guarantees				
Additional KPIs	Assets under management				
Additional KPIs	Fees and commissions income*****				

\* Total environmentally sustainable assets used for turnover KPI.

\*\* Based on the Turnover KPI of the counterparty.

\*\*\*Based on the CapEx KPI of the counterparty.

\*\*\*\*% of assets covered by the KPI over banks' total assets.

\*\*\*\*\*Fees and Commissions and Trading Book KPIs shall only apply starting 2026.

been included. WiZink's exposure to derivative operations is determined by the need to hedge investments that are linked to the current investment policy (Liquid Asset Buffer (LAB) Standard) that establishes minimum investment criteria. The maximum investment term is 5 years, with a high credit quality (with a weighting of less than 50% in terms of risk-weighted assets), eligible for the European Central Bank and highly liquid (according to the highly liquid asset criteria-HQLA).

Investments, especially long-term ones, can generate greater exposure to interest rate risk and therefore, on some occasions and to comply with the current Risk Appetite at all times, WiZink can carry out hedging with derivative instruments to maintain the risk interest rate of the investment portfolio at appropriate levels. The other

categories of assets line mainly includes WiZink's credit card portfolio, in addition to the rest of the assets that do not fit into any of the other lines in the table.

- Off-balance sheet exposures:** WiZink does not have the type of off-balance sheet exposures required in these lines.



		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		31 December 2023																
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)						
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)						
		Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)						
		Of which Use of Proceeds						Of which Use of Proceeds				Of which Use of Proceeds						
		Of which transitional						Of which transitional				Of which transitional						
		Of which enabling						Of which enabling				Of which enabling						
Million euros		Total (gross) carrying amount																
GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	223	24												24			
2	Financial undertakings																	
3	Credit institutions																	
4	Loans and advances																	
5	Debt securities, including UoP																	
6	Equity instruments																	
7	Other financial corporations																	
8	of which investment firms																	
9	Loans and advances																	
10	Debt securities, including UoP																	
11	Equity instruments																	
12	of which management companies																	
13	Loans and advances																	
14	Debt securities, including UoP																	
15	Equity instruments																	
16	of which insurance undertakings																	
17	Loans and advances																	
18	Debt securities, including UoP																	
19	Equity instruments																	
20	Non-financial undertakings																	
21	Loans and advances																	
22	Debt securities, including UoP																	
23	Equity instruments																	
24	Households	223	24												24			
25	of which loans collateralised by residential immovable property																	
26	of which building renovation loans	24	24												24			
27	of which motor vehicle loans	199																
28	Local governments financing																	
29	Housing financing																	
30	Other local government financing																	
31	Collateral obtained by taking possession: residential and commercial immovable properties																	
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	2.899																
33	Financial and Non-financial undertakings	2																
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	0																
35	Loans and advances																	
36	of which loans collateralised by commercial immovable property																	
37	of which building renovation loans																	
38	Debt securities																	
39	Equity instruments	0																
40	Non-EU country counterparties not subject to NFRD disclosure obligations	2																
41	Loans and advances																	
42	Debt securities																	
43	Equity instruments	2																
44	Derivatives	19																
45	On demand interbank loans																	
46	Cash and cash-related assets	37																
47	Other categories of assets (e.g. Goodwill, commodities etc.)	2.840																
48	Total GAR assets	3.122	24												24			
49	Assets not covered for GAR calculation	1.005																
50	Central governments and Supranational issuers	546																
51	Central banks exposure	459																
52	Trading book																	
53	Total assets	4.127																
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																		
54	Financial guarantees																	
55	Assets under management																	
56	Of which debt securities																	
57	Of which equity instruments																	



## 2. GAR sector information

In line with the previous section, WiZink has no exposure to companies whose main business is related to eligible activities according to the Taxonomy, therefore the table below is empty:

Breakdown by sector - NACE 4 digits level (code and label) (1)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCM + CCA)	Mn EUR	Of which environmentally sustainable (CCM + CCA)
1												

(1) Exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty. A threshold above 0.5% of the eligible exposure has been set for reporting NACE at level 4. All other NACEs outside this threshold are reported at level 1.

3. GAR KPI stock

The relevant table is detailed below in line with the previous sections:

	a	b	c	d	e	f	g	h	i	aa	ab	ac	ad	ae	af
% (compared to total covered assets in the denominator)	31 December 2023														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator															
1Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	7,14%									7,14%					7,14%
2Financial undertakings															
3Credit institutions															
4Loans and advances															
5Debt securities, including UoP															
6Equity instruments															
7Other financial corporations															
8of which investment firms															
9Loans and advances															
10Debt securities, including UoP															
11Equity instruments															
12of which management companies															
13Loans and advances															
14Debt securities, including UoP															
15Equity instruments															
16of which insurance undertakings															
17Loans and advances															
18Debt securities, including UoP															
19Equity instruments															
20Non-financial undertakings															
21Loans and advances															
22Debt securities, including UoP															
23Equity instruments															
24Households	7,14%									7,14%					7,14%
25of which loans collateralised by residential immovable property															
26of which building renovation loans	0,75%									0,75%					0,75%
27of which motor vehicle loans	6,38%														
28Local governments financing															
29Housing financing															
30Other local government financing															
31Collateral obtained by taking possession: residential and commercial immovable properties															
32Total GAR assets	7,14%									7,14%					7,14%

#### 4. GAR KPI flow

The relevant table is detailed below in line with the previous sections:

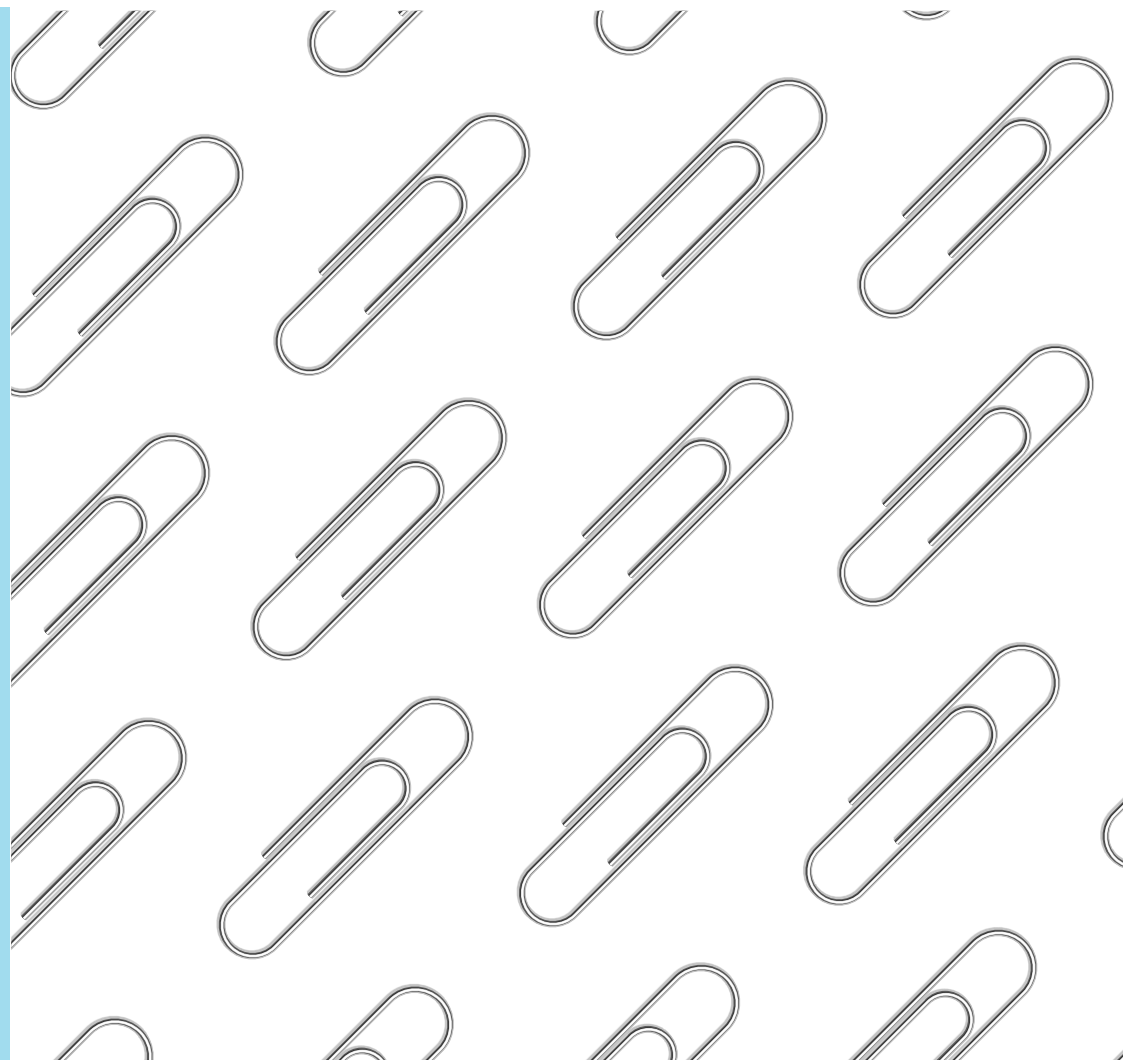
		Total (gross) carrying amount	a	b	c	d	e	f	g	h	i	aa	ab	ac	ad	ae	af			
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA + WTR + CE + PPC + RIO)							
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)							Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)							
			Of which Use of Proceeds		Of which transitional	Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling						
% (compared to flow of total eligible assets)																				
GAR - Covered assets in both numerator and denominator																				
1	Loans and advances, debt securities and equity instruments not HIT eligible for GAR calculation	133	4.25%										4.25%				4.25%			
2	Financial undertakings																			
3	Credit institutions																			
4	Loans and advances																			
5	Debt securities, including UoP																			
6	Equity instruments																			
7	Other financial corporations																			
8	of which investment firms																			
9	Loans and advances																			
10	Debt securities, including UoP																			
11	Equity instruments																			
12	of which management companies																			
13	Loans and advances																			
14	Debt securities, including UoP																			
15	Equity instruments																			
16	of which insurance undertakings																			
17	Loans and advances																			
18	Debt securities, including UoP																			
19	Equity instruments																			
20	Non-financial undertakings																			
21	Loans and advances																			
22	Debt securities, including UoP																			
23	Equity instruments																			
24	Households	133	4.25%										4.25%				4.25%			
25	of which loans collateralised by residential immovable property																			
26	of which building renovation loans	6	0.19%										0.19%				0.19%			
27	of which motor vehicle loans	127	4.06%										4.06%				4.06%			
28	Local governments financing																			
29	Housing financing																			
30	Other local government financing																			
31	Collateral obtained by taking possession: residential and commercial immovable properties																			
32	Total GAR assets	133	4.25%										4.25%				4.25%			

## 5. KPI off-balance sheet exposures

In line with the section Assets for the calculation of GAR, WiZink does not have the type of off-balance sheet exposures required in this table, therefore it is included empty.

% (compared to total eligible off-balance sheet assets)		31 December 2023												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA )			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)													
2	Assets under management (AuM KPI)													

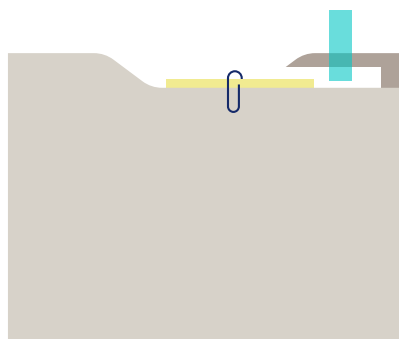
# 11. Appendix



## 11. Appendix: Table linking the requirements of Law 11/2018 and GRI indicators

As required by Spanish Non-Financial Information and Diversity Law 11/2018, of 28 December, the key indicators of non-financial results that are relevant to WiZink’s business activity, and that meet the criteria of comparability, materiality, relevance and reliability, are included in this report. It also includes accurate, comparable and verifiable information.

Also, key non-financial indicators have been applied, such as the Global Reporting Initiative (GRI) standards, the list of which is shown in the table below.



## Content of Law 11/2018 on non-financial information

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected [last version]
<b>GENERAL INFORMATION</b>			
A brief description of the business model including its business environment, organization and structure	Material	11-17	GRI 2-6 [2021]
Markets in which it operates	Material	12	GRI 2-1 [2021] GRI 2-6 [2021]
Objectives and strategies of the organization	Material	18-19	GRI 2-1 [2021] GRI 2-22 [2021]
Main factors and trends that may affect its future evolution	Material	20-24	GRI 3-3 [2021] GRI 2-22 [2021]
Reporting framework	Material	4	GRI 1 [2021]
Materiality principle	Material	6-7	GRI 3-1 [2021] GRI 3-2 [2021]
<b>ENVIRONMENTAL MATTERS</b>			
<b>Management approach:</b> description and results of the policies related to these issues as well as the main risks related to them linked to the group's activities	Material	70	GRI 3-3 [2021]
<b>Detailed general information</b>			
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety	Material	70-72	GRI 3-3 [2021]
Environmental assessment or certification procedures	Non-material for the company	6-7	GRI 3-3 [2021]
Resources dedicated to the prevention of environmental risks	Non-material for the company	6-7	GRI 3-3 [2021]
Application of the precautionary principle	Non-material for the company	6-7	GRI 2-23 [2021]
Amount of provisions and guarantees for environmental risks	Non-material for the company	6-7	GRI 3-3 [2021]

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected (last version)
<b>Pollution</b>			
Measures to prevent, reduce or repair emissions that impact the environment severely, taking into account any form of activity-specific air pollution, including noise and light pollution	Non-material for the company	6-7	GRI 3-3 [2021]
<b>Circular economy and waste prevention and management</b>			
Prevention measures, recycling, reuse, other forms of recovery and disposal of waste	Material	72	GRI 306-1 GRI 306-2
Actions to combat food waste	Non-material for the company	6-7	GRI 3-3 [2021]
<b>Sustainable use of resources</b>			
Water consumption and water supply according to local limitations	Material	71-72	GRI 303-5
Consumption of raw materials and measures adopted to improve the efficiency of their use	Material	71-72	GRI 301-1
Energy consumption, direct and indirect	Material	70-71	GRI 302-1
Measures taken to improve energy efficiency	Material	70-72	GRI 3-3 [2021]
Use of renewable energy	Material	71	GRI 302-1



Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected (last version)
<b>Climate change</b>			
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	Material	71	GRI 305-1 GRI 305-2
Measures taken to adapt to the consequences of climate change	Material	70-72	GRI 3-3 [2021]
Reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose	Material	72	GRI 3-3 [2021] GRI 305-5
<b>Protection of biodiversity</b>			
Measures taken to preserve or restore biodiversity	Non-material for the company	6-7	GRI 3-3 [2021]
Impacts caused by activities or operations in protected areas	Non-material for the company	6-7	GRI 3-3 [2021]
<b>EU Taxonomy</b>			
European taxonomy indicators regarding eligibility	Material	73-80	N/A
<b>INFORMATION ON SOCIAL AND PERSONNEL-RELATED MATTERS</b>			
<b>Management approach:</b> description and results of the policies related to these issues as well as the main risks related to them linked to the group's activities	Material	42-58	GRI 3-3 [2021]

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected [last version]
<b>Employment</b>			
Total number of employees by gender, age, country and professional category.	Material	43	GRI 405-1 regarding employees by category, gender and age
Total number and distribution of employment contract types and annual average of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification	Material	44	GRI 2-7 [2021] regarding employees by labor contract and type, by sex
Number of terminations by gender, age and professional category.	Material	46	GRI 3-3 [2021]
Average remuneration and its evolution broken down by sex, age and professional classification or equal value	Material	47	GRI 3-3 [2021]
Salary gap, the remuneration of equal or average jobs in the company	Material	47	GRI 3-3 [2021]
Average remuneration of directors and managers, including variable remuneration, diems expenses, indemnities, payment to long-term savings pension systems and any other perception disaggregated by gender	Material	47	GRI 3-3 [2021]
Implementation of labour disconnection policies	Material	48-49	GRI 3-3 [2021]
Number of employees with disabilities	Material	58	GRI 3-3 [2021]
<b>Work organization</b>			
Organization of working time	Material	48-49	GRI 3-3 [2021]
Mechanisms and procedures that the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation	Material	48-49	GRI 3-3 [2021]
Number of hours of absenteeism	Material	55	GRI 3-3 [2021]
Measures aimed at facilitating work/life balance and promoting the jointly responsibility by both parents	Material	48-53	GRI 3-3 [2021]

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected [last version]
<b>Health and safety</b>			
Health and safety conditions at work	Material	49-53	GRI 3-3 [2021]
Work accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex	Material	54-55	GRI 403-9 regarding number and rate of accidents GRI 403-10 regarding cases of occupational illnesses and diseases
<b>Social relationships</b>			
Organization of social dialogue including procedures for informing, consulting and negotiating with staff	Material	56	GRI 3-3 [2021]
Mechanisms and procedures that the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation	Material	56	GRI 3-3 [2021]
Percentage of employees covered by collective agreement by country	Material	56	GRI 2-30 [2021]
Balance of collective agreements, particularly in the field of health and safety at work	Material	56	GRI 3-3 [2021]
<b>Training</b>			
Training policies	Material	57	GRI 404-2
Total number of training hours by professional category	Material	57	GRI 3-3 [2021] GRI 404-1 in terms of total hours of training by professional category
<b>Universal accessibility</b>			
Universal accessibility for people with disabilities.	Material	58	GRI 3-3 [2021]

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected [last version]
<b>Equality</b>			
Measures adopted to promote equal treatment and opportunities between women and men	Material	58	GRI 3-3 [2021]
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	Material	58	GRI 3-3 [2021]
Policy against all types of discrimination and, where appropriate, diversity management	Material	58	GRI 3-3 [2021]
<b>RESPECT FOR HUMAN RIGHTS</b>			
<b>Management approach:</b> description and results of the policies related to these issues as well as the main risks related to them linked to the group's activities	Material	68	GRI 3-3 [2021]
<b>Application of due diligence procedures</b>			
Application of due diligence procedures in the field of human rights and prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	Material	68	GRI 2-23 [2021] GRI 2-26 [2021]
Complaints for cases of violation of human rights	Material	68	GRI 3-3 [2021] GRI 406-1 [2016]
Measures implemented to promote and comply with the provisions of the fundamental ILO conventions related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour	Material	68	GRI 3-3 [2021]
<b>FIGHT AGAINST CORRUPTION AND BRIBERY</b>			
<b>Management approach:</b> description and results of the policies related to these issues as well as the main risks related to them linked to the group's activities	Material	37-41	GRI 3-3 [2021]
Measures taken to prevent corruption and bribery	Material	37-41	GRI 3-3 [2021] GRI 2-23 [2021] GRI 2-26 [2021]
Measures to combat money laundering	Material	38-39	GRI 3-3 [2021] GRI 2-23 [2021] GRI 2-26 [2021]
Contributions to foundations and non-profit entities	Material	37	GRI 2-28 [2021]

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected (last version)
<b>INFORMATION ABOUT THE COMPANY</b>			
<b>Management approach:</b> description and results of the policies related to these issues as well as the main risks related to them linked to the group's activities	Material	60-65	GRI 3-3 [2021]
<b>Company commitments to sustainable development</b>			
Impact of the company's activity on employment and local development	Material	60-61	GRI 3-3 [2021]
Impact of the company's activity on local populations and the territory	Material	60-63	GRI 3-3 [2021]
Relations maintained with local communities and dialogue with them	Material	60-63	GRI 2-29 [2021]
Association or sponsorship actions	Material	60-62	GRI 3-3 [2021]
<b>Subcontracting and suppliers</b>			
Inclusion in the supplier policy of social, gender equality and environmental issues	Material	62-63	GRI 3-3 [2021]
Consideration of suppliers and subcontractors social and environmental responsibility	Material	62-63	GRI 2-6 [2021]
Supervision and audit results	Material	62-63	GRI 2-6 [2021]
<b>Consumers</b>			
Measures for the health and safety of consumers	Material	64-65	GRI 3-3 [2021]
Complaint systems, complaints received and their resolution	Material	63-64	GRI 3-3 [2021] GRI 418-1

Information required by Law 11/2018 on non-financial information	Materiality	Page of the report where information is given	Reporting criteria: GRI selected (last version)
Tax information			
Benefits obtained country by country	Material	66	GRI 3-3 [2021]
Taxes on profits paid	Material	66	GRI 3-3 [2021]
Government grants received	Material	66	GRI 201-4 in regards to grants

**wi  
zink**

**Un banco.  
Infinitas posibilidades**



# Wizink Bank, S.A.U. and subsidiaries

Independent Assurance Report on the  
Consolidated Non-Financial Information  
Statement (NFIS)

1 March 2024

*(Translation from the original in Spanish. In case of  
discrepancy, the Spanish language version prevails)*





KPMG Auditores, S.L.  
P.º de la Castellana, 259 C  
28046 Madrid

## **Independent Assurance Report on the Consolidated Non-Financial Information Statement of WiZink Bank, S.A.U. and subsidiaries for 2023**

*(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails)*

To the Sole Shareholder of Wizink Bank, S.A.U.:

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFIS) of WiZink Bank, S.A.U. (hereinafter the Parent) and subsidiaries (hereinafter the Group) for the year ended 31 December 2023, which forms part of the consolidated Directors' Report of the Group for 2023.

The NFIS includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. Our work was limited exclusively to providing assurance on the information identified in the "11. Appendix: Table linking the requirements of Law 11/2018 and GRI indicators" table included in the accompanying consolidated NFIS.

### **Directors' Responsibility**

---

The Directors of the Parent are responsible for the content and authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and the selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) based on each subject area in the "11. Appendix: Table linking the requirements of Law 11/2018 and GRI indicators" table included in the aforementioned NFIS.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

### **Our Independence and Quality Management**

---

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) of the International Ethics Standards Board for Accountants (IESBA Code of Ethics), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



*(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails)*

Our firm applies the International Standard on Quality Management (ISQC) 1, which requires us to design, implement and operate a system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

## **Our Responsibility**

---

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "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 assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Group that participated in the preparation of the Report, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Group's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2023 based on the materiality analysis performed by the Group and described in the "2. Materiality study and ESG strategy" section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2023.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2023.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2023 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.

## **Conclusion**

---

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of WiZink Bank, S.A.U. and subsidiaries for the year ended 31 December 2023 has not been prepared, in all material aspects, in accordance with



*(Translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails)*

prevailing mercantile legislation and the selected GRI Standards based on each subject area in the " 11. Appendix: Table linking the requirements of Law 11/2018 and GRI indicators" table included in the aforementioned NFIS.

## **Emphasis of Matter**

---

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and the delegated acts promulgated in accordance with this Regulation, stipulate the obligation to disclose information on how and to what extent the undertaking's investments are associated with eligible economic activities relating to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems (the other environmental objectives), and relating to certain new activities included in the objectives of climate change mitigation and climate change adaptation. This obligation applies for the first time for the 2023 fiscal year. This regulation also stipulates for the first time for the 2023 fiscal year the obligation to disclose information on how and to what extent the undertaking's activities are associated with economic activities aligned to the activities included in the objectives of climate change mitigation and climate change adaptation, excluding the aforementioned new activities. Therefore, no comparative information on alignment with the objectives of climate change mitigation and climate change adaptation has been included in the attached NFIS, nor has comparative information on eligibility been included for the other environmental objectives or for the new activities included in the climate change mitigation and climate change adaptation objectives. Furthermore, inasmuch as the information on eligible activities in 2023 was not required to be as detailed as in 2022, the disclosures on eligibility included in the attached NFIS are not strictly comparable. In addition, the directors of WiZink Bank, S.A.U. have included information on the criteria which, in their opinion, allow them to comply better with this obligation and which are defined in Note " 10. EU Taxonomy" of the accompanying NFIS. Our conclusion is not modified in respect of this matter.

## **Use and Distribution**

---

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Auditores, S.L.

*(Signed on original in Spanish)*

1 March 2024