

Pillar 3 Disclosure Report

2025

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1. Introduction

1.1 UCI Group

ABOUT US

Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito (hereinafter, UCI EFC) is a Financial Credit Institution (EFC) established in 1980, whose sole shareholder is U.C.I., S.A (hereinafter, UCI Group, UCI or the "entity") since 1989. It is registered with the Bank of Spain's Special Register of Institutions under number 8512, governed by the regulations applicable to EFCs, as well as its internal governance policies and procedures.

U.C.I., S.A., the holding company of the UCI Group, is a Financial Holding Company, in accordance with the provisions of Articles 15 bis and ter of Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions.

UCI, S.A. EFC carries out the main activity of the UCI Group, consisting of meeting the demand for housing through responsible, transparent and personalized financing solutions, contributing, in turn, to the renovation of the real estate stock, mainly through the granting of mortgage loans for the purchase of housing.

The markets in which the UCI Group operates through its subsidiaries and branches are Spain, Portugal and Brazil. The activity of UCI, S.A. EFC is carried out in Spain and Portugal, through its branch. In Brazil, there is direct and indirect participation in the financial intermediation activity of mortgage loans through Real Estate Agencies, through the companies detailed below.

UCI, Unión de Créditos Inmobiliarios, promotes financial solutions to facilitate access to housing. The purpose is to promote responsible home buying through personalized loans and mortgages that put customers and their life projects at the center. We actively contribute to the development of financial solutions aimed at the rehabilitation and improvement of the energy efficiency of both individual homes and Rehabilitation Condominium, in line with the priorities of the EU and Spain's 2030 agenda.

More information about the entity and the services it offers can be found on the entity's corporate website, www.uci.com.

PURPOSE, MISSION, VISION AND VALUES OF THE ENTITY

Purpose

- To promote a sustainable way of living, home by home.

Mission

- To generate a positive impact on our stakeholders and our society.
- To produce world-class financial services through an integrated work model.
- To create a stimulating and creative work environment.

Vision

- To be a leader in specialized real estate financing.
- To be customers' preferred entity.
- To respond to the social demand for access to housing.
- To offer a wide range of responsible products.

Values

- **United by people:** We believe that everything starts with people. Every decision, project and interaction is built on respect, diversity and trust. Teamwork and passion for the customer are our strengths. We collaborate, share, and build relationships to make a real impact because change starts when we work together.
- **Committed to the future:** At UCI, our commitment is to work for a fairer and more sustainable environment. Our impact is more than financial: it's social, environmental, and human. We have integrity. We act responsibly and transparently because compliance is not just a rule, it is the guarantee that we are moving towards a solid future full of opportunities.
- **We innovate with purpose:** We are specialists in creating different and unique solutions. We constantly challenge ourselves, betting on creativity and technology to be more agile and efficient. Each idea is born with a shared vision: to promote change.

ECONOMIC AND REGULATORY CONTEXT

In 2025, the global macroeconomic environment was marked by several key trends:

- **Economic growth:** Global economic growth in 2025 remained moderate, conditioned by uncertainty and weakness in advanced economies. Spain's GDP grew by 2.8% in 2025, according to data from the National Institute of Statistics (INE), maintaining a higher rate than the Eurozone.
- **Inflation:** Inflation in 2025 continued a clear trend of moderation at the global level. This disinflation process was mainly driven by the tightening of monetary policy, the normalization of energy prices, and the cooling of demand.
- **Employment and confidence:** the labour market was resilient globally and especially in Europe, with high employment levels despite the economic slowdown. However, consumer and business confidence remained contained, affected by political, commercial and financial uncertainty.
- **Financial markets:** In 2025, financial markets were marked by a transitional environment after the rate hike cycle, with conditions still relatively restrictive, but with some improvement compared to 2024. In Europe, developments were driven by factors such as tariffs, the ECB's monetary policy and geopolitical fragmentation, maintaining an environment in which markets remained sensitive to external shocks and changes in inflation and growth expectations.
- **House prices:** the housing market – especially in Spain – was marked by a sharp rise in prices and high real estate activity, reaching record highs and the highest growth since 2007. This increase is mainly explained by an imbalance between supply and demand; demand remained very high (driven by employment, tourism and foreign investment), while housing supply remained insufficient, putting upward pressure on prices.

LINKING THE ENTITY'S STRATEGY TO ITS RISK APPETITE

UCI Group carries out comprehensive risk management, where the definition and control of risk appetite is a key element. Risk appetite is defined at an aggregate level and considering the different types of risks that the company is willing to assume to achieve its risk strategy based on the annual strategic plan.

As part of UCI's Risk Appetite Framework (RAF), a formal Risk Appetite Statement (RAS) is included, which sets out the articulation, in written form, of the aggregate level of risk that UCI is willing to tolerate in the implementation of its strategy.

The risk appetite statement is the responsibility of the risk owners and approval is the responsibility of the Board of Directors through its delegated body, the Independent Audit and Risk Committee. Its functions also include the establishment of a specific treatment for indicators that exceed the established levels.

Insights into key indicators

<i>Situation of the entity at the end of 2025</i>	EFC 2025	GROUP 2025
Available own funds (amounts)		
Common Equity Tier 1 (CET1)	411,49	506,95
Tier 1	433,49	506,95
Total capital	566,36	653,24
Risk-weighted exposure amounts		
Total risk exposure amount	3.185,51	3.159,59
Capital ratios (%)		
Common Equity Tier 1 (CET1)	15,91%	13,02%
Tier 1	15,91%	13,72%
Total ratio	20,51%	17,93%
Leverage ratio		
Leverage ratio (%)	5,62%	4,76%
Liquidity coverage ratios (LCR)		
Total high-quality liquid assets (HQLA)	348	351
Total net cash outflows	322	331
Liquidity coverage ratio (LCR) (%)	113,38%	111,15%
Net Stable Funding Ratio (NSFR)		
Available stable funding	6.975	7.038
Required stable funding	6.451	6.461
Net stable funding ratio (NSFR) (%)	108,11%	108,93%
Balance sheet		
Total assets	9.233	9.281
Total equity	684	552
Total liabilities	8.549	8.729

Data in millions of euros

Key balance sheet items

ASSETS	GROUP 2025
TOTAL ASSETS (380)	9.281,0
Cash, cash balances at central banks and other demand deposits (010)	124,3
Cash (020)	0,0
Other demand deposits (040)	124,3
Financial Assets Held for Trading (050)	8,7
Derivatives (060)	8,7
Financial assets at amortized cost (181)	8.610,7
Debt securities (182)	181,3
Loans & Advances (183)	8.429,5
Derivatives - hedge accounting (240)	175,1
Tangible Assets (270)	152,8
Property, plant and equipment (280)	20,0
Real Estate Investments (290)	132,8
Intangible Assets (300)	5,4
Other Intangible Assets (320)	5,4
Tax Assets (330)	74,0
Current Tax assets (340)	0,3
Deferred Tax assets (350)	73,7
Other assets (360)	30,0
Non-current assets and disposal groups of items that have been classified as held for sale (370)	99,9

Data in millions of euros

LIABILITIES	GROUP 2025
TOTAL LIABILITIES (300)	8.728,8
Financial liabilities held for trading (010)	8,9
Derivatives (020)	8,9
Financial liabilities measured at amortized cost (110)	8.611,0
Deposits (120)	7.236,4
Debt securities issued (130)	1.349,5
Other financial liabilities (140)	25,2
Derivatives - Hedge Accounting (150)	12,8
Provisions (170)	28,8
Other long-term employee benefits (190)	1,3
Other provisions (230)	27,5
Tax Liabilities (240)	49,5
Current Tax Liabilities (250)	1,2
Deferred Tax Liabilities (260)	48,4
Other Liabilities (280)	17,8

Data in millions of euros

EQUITY	GROUP 2025
TOTAL Equity (300)	552,2
Capital (010)	227,4
Paid-up capital (020)	227,4
Share premium (040)	247,6
Other accumulated comprehensive income (090)	112,8
Items that may be reclassified to profit or loss (128)	112,8
Hedging derivatives. Cash flow hedging reserve [effective part] (150)	112,8
Accumulated profits/losses (190)	38,8
Profit or loss attributable to the owners of the parent company (250)	-74,5
TOTAL EQUITY AND LIABILITIES (310)	9.281,0

Key income statement headings

Income Statement	GROUP 2025
PROFIT OR (-) LOSS FOR THE YEAR (670)	-74,5
PRE-TAX GAINS OR (-) LOSSES FROM CONTINUING TRANSACTIONS (610)	-64,5
TOTAL OPERATING PROFIT, NET (355)	58,4
Interest Income (010)	437,4
Financial assets at amortized cost (051)	278,7
Derivatives - hedge accounting, interest rate risk (070)	158,7
(Interest Expense) (090)	385,3
(Financial liabilities at amortized cost) (120)	258,3
(Derivatives - hedge accounting, interest rate risk) (130)	127,0
Commission Income (200)	9,6
(Commission Expenses) (210)	5,9
Gains or (-) losses on the derecognition of financial assets and liabilities not measured at fair value through profit or loss, net (220)	0,0
Gains or (-) losses on financial assets and liabilities held for trading, net (280)	1,2
Gains or (-) losses on non-trading financial assets compulsorily measured at fair value through profit or loss, net (287)	-0,2
Exchange differences [gain or (-)], net (310)	0,0
Other operating income (340)	4,3
(Other operating expenses) (350)	2,9
(Administrative expenses) (360)	76,4
(Personnel costs) (370)	34,8
(Other administration costs) (380)	41,6
(Amortisation) (390)	5,3
(Property, plant and equipment) (400)	3,5
(Real estate investments) (410)	0,7
(Other intangible assets) (420)	1,1
(Provisions or (-) reversal of provisions) (430)	13,9
(Other provisions) (450)	13,9
(Impairment or (-) reversal of impairment of financial assets not measured at fair value through profit or loss) (460)	42,1
(Impairment or (-) reversal of impairment of non-financial assets) (520)	-0,7
(Real estate investments) (540)	-1,9
(Others) (570)	1,2
Gains or (-) losses from non-current assets and disposal groups of items classified as held for sale that are not eligible for discontinued business (600)	14,3
(Expenses or (-) income from income tax on continuing transactions) (620)	10,0
Attributable to owners of the parent (690)	-74,5

Data in millions of euros

UCI ratings

	DBRS	FITCH
Long Term	A (low)	BBB+
Last review	October'25	November'25
Short Term	R-1 (low)	F2
Last review	October'25	November'25
Outlook	Stable	Stable
		FITCH
ESG Entity Rating		2
Last review		September'25

RISK PROFILE

UCI Group has closed the 2025 financial year with a Medium-High overall risk profile determined mainly by credit risk and strategic risk. The entity satisfactorily complies, both individually and consolidated, with the requirements on prudential requirements for financial credit institutions.

Credit risk: this is UCI Group's main exposure, largely determined by the business model, focused on granting mortgage loans to individuals.

The weight of the portfolio prior to 2012, together with its high NPL ratios and extended NPA ratios, mean that the credit risk profile is high. However, the credit quality of loans originated from 2012 onwards (inclusive) has shown a significant improvement, positively influencing exposure to this risk as their relative weight on the balance sheet increased. At the end of 2025, this portfolio represented approximately 46% of the balance sheet.

With respect to the loan vintages originated from 2012 onwards (inclusive), the NPL rate stands at 0.88%, reflecting an excellent performance of the main risk indicators in loan origination.

Given the level of non-performing loans and because of supervisory requirements, the plan to reduce non-performing assets was updated. The Group closed the year with a very satisfactory achievement of the projection established in the plan with respect to NPL and NPA rates.

The credit risk strategy in 2025 focused on:

- UCI will not take on business activities outside its area of expertise or with a risk profile higher than the one defined, avoiding, for example, exposure to developer promoters credit or projects with high volatility, focusing growth on first-time home financing and secured transactions of high credit quality.
- UCI Group concentrates its activity on traditional mortgage financing and complements this Core Business with new strategic lines aimed at Green production, ICO Youth/Families Guarantee production and credit production to homeowners' associations for building renovations.
- Compliance with the plan to reduce non-performing assets based on the established projections and with the aim of progressively aligning ourselves with the approved appetite.
- Sale of non-performing portfolios and sale of the portfolio related to Greece.
- Reinforcement of the strategy of reducing the restructured portfolio by guaranteeing sufficiently specialized personnel and adequate sizing.
- Optimization of the risk criteria established in loan origination policy.

Concentration risk: it does not present relevant concentrations of risk by geography, product, type of customer or marketing channel. The Group continues to monitor any type of significant sectoral or individual concentration without deviating from regulatory ratios.

The 2025 concentration risk strategy focused on:

- Focus on mixed-rate mortgages with 2-to-5-year fixed-rate periods, priced to enhance the entity's competitiveness.
- Increased concentration in non-resident customers with high credit quality, with personal contribution as the main indicator in the granting of loans.

Structural interest rate risk on the balance sheet: changes in interest rates during the financial year 2025 have not led to non-compliance with any of the regulatory indicators or the limits approved by the Board of Directors.

The Entity consolidates the incorporation of the aspects established in the EBA Guidelines on the Management of Interest Rate Risk in the Banking Book (IRRBB) and the Assessment and Monitoring of Credit Spread Risk (CSRBB) of non-trading activities (EBA/GL/2022/14), where compliance is achieved under all shock scenarios.

The structural balance sheet interest rate risk strategy in 2025 focused on:

- Reduced interest rate risk exposure in the banking book (IRRBB), supported by conservative risk appetite limits.
- Monitoring of market conditions and interest rate developments.

Market risk: the reduction in the stock of foreclosed assets, together with the favorable evolution of valuations and the generation of capital gains in sales, drives a downward trend in this risk.

The market risk strategy in 2025 focused on:

- Marketing strategy for foreclosed assets.

Operational risk: the entry into force of CRR III entails the adoption of a new approach in the calculation of capital requirements, placing these at insignificant levels of the total. The activity recorded during the year reflects a low incidence of events and associated costs, concentrated on a small number of higher-value cases. Likewise, the management of technological and third-party risks has been reinforced, especially in relation to outsourcing, in line with the applicable regulatory requirements.

The operational risk strategy in 2025 focused on:

- The renewal of ISO 22301 and ISO 27001 certifications ensuring business continuity and information security.
- Adaptation and calculation of capital requirements for operational risk under the CRR III approach.
- The monitoring of operational risk incidents that remain open and exceed one year has been reinforced.

Reputational risk is associated with changes in perception of the Group, or of the brands that make it up, where an action, event or situation could have a negative or positive impact on the reputation of the organization. Determined by the latent risk of the mortgage sector, it does not deviate materially from peer levels.

The main metrics of this risk indicate a high degree of customer satisfaction in the granting and monitoring of the loan.

The reputational risk strategy in 2025 focused on:

- Improvements to the corporate website and client website.
- Simplification and enhancement of the brand image.
- Improvements in the evaluation methodology of the double materiality study to identify and understand more precisely the expectations of stakeholders.

Strategic risk: The UCI Group has continued to implement its business plan, focused on boosting the generation of recurring income and improving profitability, supported by the reduction of non-performing assets—through portfolio sales which, while impacting results, have contributed to lowering delinquency and strengthening the balance sheet—and by the gradual growth of new performing assets with lower capital consumption, which will enable the achievement of profitability levels more in line with more recent portfolios.

ESG risk: at UCI we have integrated environmental, social and corporate governance factors into our risk management and cross-cutting risk management processes, such as risk appetite, loan origination or the exercise of identifying emerging risks. This integration not only helps to mitigate risks and take advantage of opportunities, but also to strengthen the Entity's reputation, promote sustainability and generate long-term value for all its stakeholders. Furthermore, given their close relationship with credit risk and liquidity and funding risk, these factors constitute an essential component of the risk management system.

This integration is reinforced by external recognitions and certifications obtained by the Entity, including Fitch's reaffirmation of the ESG rating at '2', with a score of 63 that demonstrates a solid profile in sustainability and non-financial disclosure, as well as the renewal, for the sixth consecutive year in Spain and the fifth in Portugal, of the Great Place to Work certification, which certifies the excellence of the work environment.

The ESG risk strategy in 2025 focused on:

- With the aim of strengthening our corporate governance model, a Governance Department has been established to design, implement, and oversee UCI's governance framework, ensuring transparency in decision-making.
- Adaptation of the entity's internal policies by integrating environmental and social factors into the process of granting and monitoring loans.
- We continue to promote the purchase of energy-efficient homes and the rehabilitation of the real estate stock.
- Physical risks are integrated into our risk management system. However, we continue to strengthen and continuously update the methodological framework used for their identification, analysis, and monitoring. This ongoing improvement process includes the review and optimization of the physical risk assessment model.
- We continue to work on new RMBS (Residential Mortgage-Backed Security) securitisation funds that comply with the European STS (Simple, Transparent and Standardised) criteria set out in the Securitisation Regulation (EU) 2017/2402, as well as with the Sustainability Green Bond Framework.
- Continuation of the Equality Plan in line with the requirements established by RD 901/2020.

Solvency risk: UCI Group maintains a solid solvency position, complying with regulatory capital and leverage requirements, including P2R and the P2G supervisory expectation. During the year, capital levels made it possible to absorb the impacts derived from the plan to reduce non-performing assets. The structure of risk-weighted assets continued to be dominated by credit risk, in line with the nature of the activity.

The solvency risk strategy in 2025 focused on:

- Compliance with the Total SREP Capital Requirement (TSCR) and Overall Capital Requirement (OCR).
- Regulatory adjustments in the calculation of leverage ratios and capital ratios.
- Integration of the countercyclical buffer (CCyB) in capital requirements.

Liquidity and funding risk: The liquidity and funding risk profile remained low, with regulatory ratios (LCR and NSFR) above the required limits and a solid liquidity buffer. During the year, the shareholder financing repayment targets with our shareholders have been achieved, in line with the self-financing strategy, while

sustainable financing commitments have been fulfilled, aligned with the criteria of the European Investment Bank, the European Investment Fund and Sustainalytics.

The liquidity and funding risk strategy in 2025 focused on:

- Optimization of HQLA through adjustments to the maturities of financing lines and the acquisition of sovereign debt and high-credit-quality corporate bonds.
- Fulfilling sustainable transactions concession commitments.

1.2 Scope of application

The scope of application of this report refers to the consolidated group of UCI (UCI Group, UCI or the entity), although in some sections reference will be made to the sole proprietorship UCI EFC, depending on the existence of specific criteria or specific and relevant characteristics of this individual company.

Consolidation Perimeter

The scope of entities consolidated for accounting purposes within the UCI Group, in accordance with the International Financial Reporting Standards as adopted by the European Union (EU-IFRS), and taking into account the provisions of Bank of Spain Circular 4/2017 and its subsequent amendments, is equivalent to the prudential consolidation scope under the full consolidation method, with all such entities meeting the requirements for consolidation for solvency purposes set out in Article 18 of Regulation (EU) No 575/2013 of the European Parliament and of the Council.

Transfer of own funds between subsidiaries and the parent

The Entity does not identify any impediment to the transfer of Equity between the subsidiaries and the parent, beyond those arising from compliance with the minimum capital requirements of Circular 2/2016. From an operational point of view and since the activity is concentrated in UCI EFC, if the Parent Company (UCI SA) wishes to make a dividend payment to its shareholders, it must proceed in accordance with the following scheme:

- Calculate the minimum capital requirements of UCI EFC.
- Make a dividend payment to its parent company for the amounts that may be in excess.
- The parent company, UCI SA, will account for the dividend received as financial income, and may choose two ways:
 - Wait until the end of the year and apply the result to reserves and then distribute the surplus part not attributable to the Legal Reserve and respecting the limits established between first and second category Own Funds.
 - Make a payment on account accompanied by the corresponding Audit Report with respect to the Treasury, so that it is verified that it is viable, in addition to taking into account the above considerations regarding the Legal Reserve and the limits on the composition of the Own Funds.

1.3 Pillar 3 Overview

The main objective of Pillar 3 Disclosure Report (hereinafter IRP) is to provide specific information on the entity on its financial situation and activity in which the market and other interested parties may have an interest in order to assess the risks faced by the entity, its market strategy, its risk control, its internal organization and its situation in order to comply with the minimum capital requirements provided for in the solvency regulations.

This document complies with Part Eight of Regulation (EU) 2024/1623 (CRR III) of the European Parliament and of the Council amending Regulation (EU) 575/2013 (CRR) constituting Basel Pillar 3, on public reporting obligations on the institution's risk profile, the risk management and control system and own funds and solvency

levels. When displaying this information, UCI has followed the definition in said Regulation and the subsequent developments of this standard.

Governance: procedure, review and approval

The information disclosed in the UCI Group's Pillar 3 Disclosure Report has been prepared in accordance with the Group's formal prudential material disclosure procedure. This procedure defines the applicable requirements, the preparation process, the frequency of publication and the associated governance framework, in compliance with the provisions of Directive 2013/36/EU, Regulation (EU) No 2024/1623 of 31 May 2024 (CRR III), amending Regulation (EU) No 575/2013, as well as national supervision and solvency regulations, including Law 10/2014.

The preparation of the Pillar 3 Disclosure Report is supported by several processes associated with the internal control framework with defined responsibilities for both the review and certification of the information contained therein through various levels of the organization, with the aim of ensuring its coherence, reliability and adequate quality before its public disclosure.

Additional information in relation to the Internal Control System on Financial Information can be found on the UCI Group's corporate website, Investors main menu section, Corporate Governance and remuneration policy chapter.

<https://uci.com/es/inversores/gobierno-corporativo/>

The content of the report is subject to verification by the entity's internal audit and by the corresponding risk control units.

The document "Pillar 3 Disclosure Report" is published annually and as soon as possible. In any case, the publication will not be later than the date of approval of the entity's annual accounts.

The information required by the regulations in force that must be included in this report is presented, in accordance with said regulations, referenced to the consolidated annual accounts of UCI S.A. and Subsidiaries (UCI Group) at the end of the year.

The Pillar 3 Disclosure Report, like the annual accounts, is available on the UCI Group (www.uci.com) website in the Investors section of the main menu in the Investor Information chapter.

<https://uci.com/es/inversores/informacion-economico-financiera-inversores/>

1.4 Applicable regulatory framework

Royal Decree 309/2020, of 11 February, establishes the legal regime for financial credit institutions in Spain. This decree regulates aspects such as the authorization, registration, permitted activities, and supervision of these establishments.

The application of Circular 2/2016 in the context of Royal Decree 309/2020 ensures that financial credit institutions operate under a robust regulatory framework, promoting the stability and solvency of the Spanish financial system.

On 2 February 2016, the Bank of Spain published Circular 2/2016, addressed to credit institutions on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No 575/2013. This circular has been the subject of several subsequent amendments, including Circular 5/2021, of 22 September; Circular 3/2022, of 30 March; and, more recently, by Circular 3/2023, of 31 October, of the Bank of Spain.

The aforementioned Community Regulation (EU) No 575/2013 establishes uniform rules that credit institutions must comply with in relation to:

1. regulatory capital requirements relating to credit, market and operational risks;
2. requirements to limit exposures to large exposures;

3. liquidity risk coverage requirements, based on fully quantifiable, uniform and standardised elements, developed by Commission delegated acts;
4. the establishment and calculation of the leverage ratio; and
5. information and public disclosure requirements.

This Regulation also introduced a review of the concept and composition of regulatory capital requirements for institutions. These are structured in two tiers: Tier 1 capital and Tier 2 capital. In turn, Tier 1 capital is made up of the sum of Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1) capital.

Tier 1 capital comprises instruments with the capacity to absorb losses in a situation of continuity of the institution, while Tier 2 capital items are mainly intended to absorb losses in situations of non-viability or in the stages of resolution.

Institutions must generally comply with the following own funds requirements:

- A Common Equity Tier 1 (CET1) capital ratio of 4.5%.
- A Tier 1 capital ratio (Tier 1 = CET1 + AT1) of 6%.
- A total capital ratio (Tier 1 + Tier 2) of 8%.

In addition to these requirements, as established by Law 10/2014 on the regulation, supervision and solvency of credit institutions, the Entity must meet the following capital requirements:

- Maintain a capital conservation percentage of 2.5% of Common Equity Tier 1 capital.
- Maintenance of a countercyclical capital percentage that can reach up to 2.5% of Common Equity Tier 1 capital.

The level that this buffer must reach has been set since 2016 on a quarterly basis by the national authorities based on macroeconomic variables, when excessive credit growth is observed that may be a source of systemic risk.

Regarding liquidity, Bank of Spain Circular 1/2022 of 24 January 2022 applies to financial credit institutions on liquidity, prudential rules and reporting obligations.

Pursuant to Article 68(2)(a) of Law 10/2014, the Banco de España requires UCI EFC to maintain a total capital ratio (or SREP total capital requirement ratio, as defined in section 1.2 of Guidelines EBA/GL/2022/03, hereinafter TSCR) at a consolidated and individual level, not less than 10.00% of the total amount of exposure at risk (TREA), which includes:

- I. The minimum total capital ratio of 8% required in Article 92(1)(c) of Regulation (EU) No 575/2013, which the institution must always maintain and;
- II. An equity requirement of 2.00% in excess of the minimum (P2R), in accordance with Article 69.1 of Law 10/2014, which the entity must maintain at all times, of which 56.25% must be met with Common Equity Tier 1 (CET 1) capital and 75% with Tier 1 capital, at least, in accordance with section 6 of article 94 of Royal Decree 84/2015.

It is also recalled that the entity and the group are subject to total capital requirements (OCR) as defined in section 1.2 of the EBA/GL/2022/03 Guidelines which include, in addition to the "TSCR ratio", the combined capital buffer requirement as defined in Article 43 et seq. of Law 10/2014 and its implementing regulations.

On the other hand, the need to establish an equity requirement in excess of the 3% leverage ratio requirement, as defined in section 1.2 of Guidelines EBA/GL/2022/03 (P2R-LR), which the institution would have to maintain at all times to address the risk of excessive leverage, has been analysed. whereas the Bank of Spain, in application of Article 68(2)(a) of Law 10/2014, has not considered it necessary to establish such a surcharge for the institution.

As of December 31, 2025, as well as during the 2025 financial year, the consolidated and individual capital level

of the entity was above the requirement for that year.

Most relevant regulatory developments for the entity

On 19 July 2024, the CRR III/CRD VI banking package was published in the Official Journal of the European Union, strengthening and amending the capital requirements framework with the aim of completing the implementation of Basel III in the European Union and introducing new elements in terms of supervision, sustainability and crypto-assets. The Regulation (CRR III) has been directly applicable since 1 January 2025, with certain transitional exceptions, so it is already in force and is fully applicable to the entity.

On 1 October 2024, the Bank of Spain approved a change in the methodological framework of the countercyclical capital buffer (CCA), setting a target percentage of 1% for a standard level of cyclical systemic risk. It also established that the CCA applicable to exposures in Spain would be 0.5% from the fourth quarter of 2024, payable from 1 October 2025. Given that cyclical systemic risks remain at an intermediate level, the Bank of Spain has decided to increase the CCA from 0.5% to 1.0%, an increase that will be payable from 1 October 2026.

Principle of proportionality

This Pillar 3 Disclosure Report has been prepared taking into account the principle of proportionality provided for in Article 74(2) of Directive 2013/36/EU, which aims to ensure that internal governance systems are consistent with the institution's individual risk profile and business model, so that the objectives of the regulatory provisions and requirements are effectively achieved.

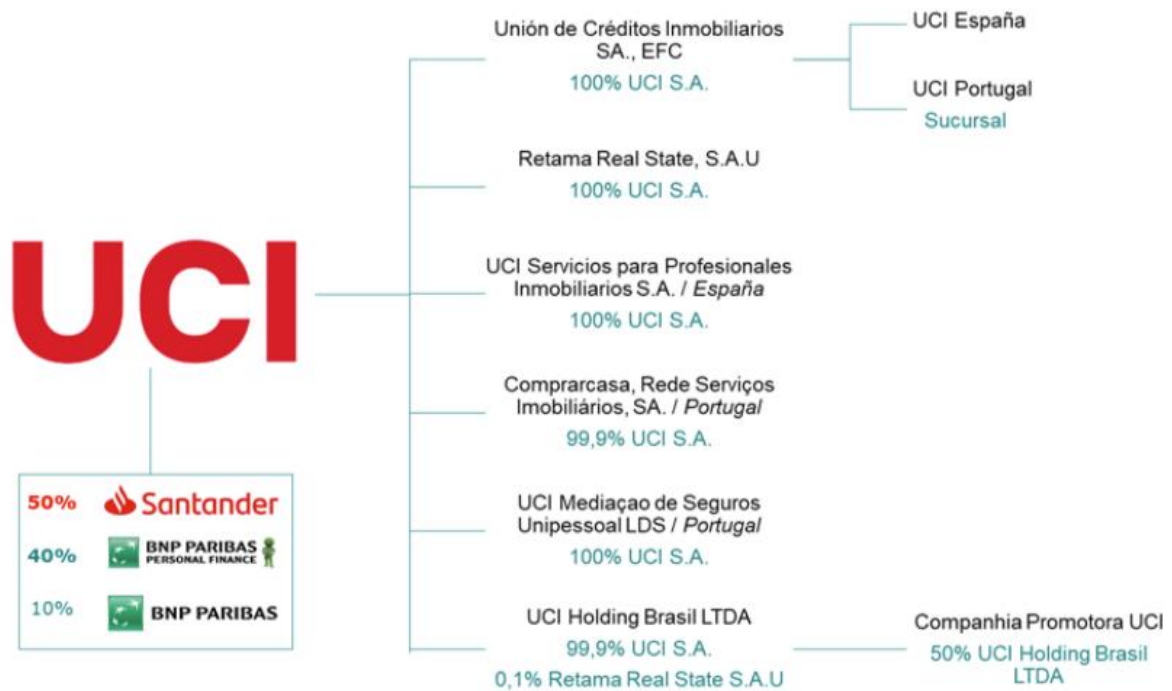
2. Global view of risks

2.1 Corporate governance principles and practices

UCI Group assumes a set of principles and values that express its commitment to corporate governance, business ethics and corporate social responsibility. These principles are detailed below:

- Establishment of an adequate definition of the bases that define the structure, organization and operation of the Entity, which guarantee strategic coordination between all the areas that make up the organization, always keeping a **proportionality** to the nature, scale and complexity of the risks inherent to the business model and activities carried out by UCI, S.A. EFC and any company of the UCI Group to which it is applicable.
- Development of activities and decision-making processes that ensure clarity, accuracy, and for all stakeholders, including shareholders, regarding information relevant to the entities in which they hold interests.
- Implementation and promotion of an **ethical corporate culture**, which is part of decision-making processes, in which integrity and honesty prevail, which contributes to the development of commitment by all members of the organization in compliance with the principles and corporate values of the organization and, ultimately, of the UCI Group.
- Ensure regulatory compliance with the principles of **integrity, professionalism and independence**, so that the organization complies, in all cases, (i) with current and applicable regulations, (ii) with the internal policies and procedures established in accordance with the best practices, principles and recommendations in terms of good corporate governance and (iii) with the international standards and guidelines approved by the authorities at all times competent.
- **Promotion of knowledge, dissemination and awareness** of the organisation's own values, the policies and procedures that govern the operation of the activity and the relevant sectoral guidelines.

2.2 Governance and organization



UCI S.A. is the holding company of UCI Group.

UCI, S.A., EFC has as its main activity the granting of mortgage loans to individuals for the purchase of housing. It is headquartered in Spain and has a branch in Portugal.

Retama Real Estate, S.A.U. It is dedicated to the management of assets, specifically, the acquisition, disposal, encumbrance and lease by any title admitted by law of all kinds of real estate of any nature. Retama is headquartered in Spain and has branches in Portugal and Greece.

UCI Servicios para Profesional Inmobiliarios, S.A.U., is a company domiciled in Spain, whose activity consists of the provision of services related to the real estate market, such as promotion, marketing, delivery of training courses or real estate intermediation.

Specifically, the activity of this company is focused, on the one hand, on the promotion of collaboration between agencies, in order to achieve maximum efficiency and effectiveness in the real estate intermediation process, through the real estate network **Comprarcasa** that operates in Spain (in Portugal, it is the company **Comprarcasa Rede de Serviços Imobiliários S.A** the one that develops this activity); and, on the other hand, it is also dedicated to the promotion, leadership and active participation in different events and initiatives for professionals in the real estate sector, as well as their training (under the SIRA brand).

UCI Mediação de Seguros Unipessoal LDA is a company based in Portugal, whose activity consists of insurance mediation.

UCI Holding Brasil LTDA. is dedicated to direct or indirect participation in real estate businesses in Brazil or abroad. In turn, this company holds a 50% stake in the company Companhia Promotora UCI, whose activity is real estate brokerage, also acting as a broker in Brazil.

UCI Group has an appropriate and transparent organisational structure and management and control operating model, which pursues efficient action that is proportional to the nature, scale and complexity of the risks inherent to the business model and the activity it carries out and, in turn, in accordance with the principles of good corporate governance. the essential function of the Sole Shareholder and the Board of Directors is to ensure that this structure is aligned with the business model and risks, for which it is entrusted with periodically

evaluating the established organizational system and its impact on the entity, adjusting, if necessary, both its structure and operation.

In turn, the Entity's governance is structured internally through its management bodies, whose activities are reported to the Board of Directors, with the first level corresponding to the Chief Executive Officer, supported by the Management Committee and various specialised committees.

Sole Shareholder

The Sole Shareholder of UCI, S.A. EFC, (UCI, S.A.) exercises the powers of the General Shareholders' Meeting and, in this capacity, has the functions provided for it in the applicable regulations and in the Bylaws of UCI, S.A. EFC.

Board of Directors

The Board of Directors is the highest decision-making body, except in those matters legally or statutorily reserved to the Shareholders' Meeting, in the case of UCI, S.A. EFC, Sole Shareholder, acting in a collegiate manner and under the support of its Committees, focusing especially on the strategic and management definition of the Entity, as well as the supervision and control of all those powers delegated to the Management.

The Board of Directors of UCI, S.A., EFC is ultimately responsible for the business strategy, key personnel decisions, internal organization, governance structure and practices, risk management, and compliance obligations. The Board's functions may be delegated to its respective Board Committees where appropriate; however, its responsibilities remain non-delegable.

To this end, the Board of Directors is responsible for carrying out all those functions entrusted to it by law and bylaws, which, in summary, consist of:

- To approve and supervise the application of all the general policies of the Entity, from which the management of the company is defined.
- Define and review the entity's internal governance framework and strategy and periodically check that it remains adequate in the face of significant changes in the entity's size, complexity, commercial scope, business strategy, and market and regulatory requirements.
- Establish, together with senior management and those responsible for the different business lines, the group's risk appetite, and ensure its alignment with the business plan, regulatory requirements and competitive landscape.
- To represent the company both before authorities and individuals of all kinds, maintaining in all cases a direct and effective channel of communication with the management bodies.
- Guide the establishment of the Group's corporate culture and values.

The Board of Directors must periodically monitor and evaluate the effectiveness of the UCI governance system, taking appropriate measures to solve any deficiencies identified.

Number, duration of term of office and composition

The Board of Directors is made up of a number of three to nine members, one of whom holds the function of President. The Board of Directors shall in any case ensure that it has at least the number of independent members required by the applicable regulations. The term of office of the members of the Board of Directors is five years with the possibility of successive renewals.

As of December 31, 2025, the Board of Directors is composed of six Directors, of which one is Chairman and Director, three are Proprietary Directors and two are Independent Directors.

The details of the composition of the Governing Body can be found in [Annex I](#) to this document.

Equal and balanced representation on the Board of Directors

UCI, S.A. EFC is aware of gradually achieving the objective of the under-represented sex on the Board of Directors and in senior management. It is because at least 40% of the members must be of the underrepresented sex.

Suitability of directors and members of senior management and other key function holders

The Suitability Policy for Directors and Members of Senior Management and Other Key Function Holders complement UCI's General Corporate Governance Policy, in the area relating to the suitability of directors, members of senior management and key personnel.

The Suitability Policy for Directors and Senior Management Members and Other Key Function Holders sets out the scope and content of the internal suitability assessment procedure for the members of the Board of Directors of Unión de Créditos Inmobiliarios, S.A., E.F.C. ("UCI" or the "Entity") and its parent company UCI, S.A., as well as the members of senior management and those responsible for internal control functions or holders of key functions for the day-to-day development of the Entity's activity, and develops the procedure by which the obtaining or issuance of the required information will be verified.

This policy is intended, on the one hand, to provide the UCI Group with the highest levels of rigour and demand in terms of regulatory compliance by applying standards higher than those required by the applicable regulations and, on the other hand, to establish homogeneous parameters within the UCI Group for access to and exercise of administrative and senior management responsibilities.

In this regard, a procedure is established to define and ensure the suitability and continuous evaluation of directors, members of senior management and those responsible for internal control functions and other managers who occupy key positions for the development of the Entity's main activity. To this end, the principles and criteria that govern the process of selection, appointment and renewal of the members of the Board of Directors of the Entity and of UCI, S.A. are included.

As general principles established in the policy, directors – as well as members of senior management and other key function holders – must at all times meet the conditions of suitability consisting of being persons of recognized commercial and professional integrity, possessing adequate knowledge and experience to perform their functions and being in a position to exercise good governance of the Entity. without prejudice to the fact that the suitability of the Board of Directors must be assessed as a whole, taking into account the different profile of its members, in order to strengthen its independence and autonomy, as well as the diversity of gender, training and professional experience, age or geographical origin, among other aspects, as provided for in the entity's Corporate Governance policy.

On the other hand, those defined as Key Personnel in the corresponding policies must have sufficient honorability, must have honesty and integrity and have sufficient knowledge, skills and experience for their positions at all times.

Directors' Remuneration Policy

The remuneration of UCI Directors is established based on the criteria set out in the Remuneration Policy for UCI Directors and the Articles of Association.

UCI's remuneration practices and policies will be compatible with adequate risk management, with the business strategy and with the Group's values. In this regard, the Remuneration Policy for UCI Directors aims to prevent such practices from undermining the Entity's soundness by encouraging excessive risk-taking behavior, and to establish a remuneration scheme appropriate to the responsibility assumed by the people to whom it applies, in order to attract and retain the most suitable profiles and to help the Entity meet their interests and business strategy.

The proposed Remuneration Policy, once approved by the Board, will be submitted to the Shareholders' Meeting for approval and will be in force from the date of its approval by the Meeting and for the following three years.

Notwithstanding the foregoing, the Board of Directors shall periodically review the Remuneration Policy and shall be responsible for supervising its application.

Committees of the Board of Directors

The Board of Directors has an Appointments and Remuneration Committee and an Independent Audit and Risk Committee, which, in their supervisory role, facilitate the development and implementation of a sound internal governance framework, the composition, structure and functions of which are determined in the Regulations of the Board of Directors.

All the details on the composition, functions and operation of these can be found both in the Bylaws and in the Board Regulations and/or in the Regulations of the Independent Audit and Risk Committee, which are available in the "Corporate governance and remuneration policy" section of the UCI website.

Nomination and Remuneration Committee

The Appointments and Remuneration Committee is constituted as a permanent internal body, of an informative and consultative nature, generally without executive functions, whose powers are to provide information and advice.

At the end of the 2025 financial year, this Committee was composed of three Directors, one for each shareholder and one independent Director. It has met five times.

The Independent Audit and Risk Committee

Its purpose is to improve the monitoring, information and decision-making of the Board of Directors in all matters within its competence, as well as to develop, execute and monitor the risk management, internal control and regulatory compliance control systems.

At the end of the 2025 financial year, this Committee was made up of three Directors (one for each shareholder (rotating) and two independent Directors). It has met on four occasions.

The details of the composition of the Committees can be consulted in [Annex I](#) of this document.

Management bodies

Management Committee

UCI's senior management is led by the Chief Executive Officer (CEO), who reports to the Board of Directors. It has the Management Committee as the management body. As with the Board of Directors, members of Senior Management have the experience, competence and integrity to manage the business and the people under their supervision.

The Management Committee implements, under the direction of the CEO, the strategies set by the Governing Board.

Senior management has, in turn, different sectoral or specific committees that are set up to support the management of certain specific matters and risks which are defined and their operation is regulated in the "UCI Committee Structure".

The Chief Executive Officer is appointed by the Board of Directors, to which he or she reports directly and exclusively, who must meet the experience and requirements required by the applicable regulations and the suitability policy of directors and members of senior management and other key function holders, and must thereby meet the requirements of commercial and professional repute and good governance required for that position.

For more information, please consult the UCI website, in the "Corporate governance and remuneration policy" space <https://uci.com/es/inversores/gobierno-corporativo/>

2.3 Risk Management Framework

UCI has a comprehensive risk management process, which includes effective oversight by the Board of Directors and senior management and the implementation of different appropriate policies and procedures to identify, quantify, assess, monitor, report and control or mitigate all significant risks in a timely manner and to assess the adequacy of capital and liquidity in relation to the risk profile and the macroeconomic and market situation.

UCI's Risk Management Framework encompasses all those principles and procedures implemented in UCI, whose main objective is to implement a solid risk management culture throughout the Entity. To this end, risk management ensures that:

- (a) Frameworks, policies and procedures for risk-taking have been developed, consistent with the risk management strategy and the established level of risk appetite;
- (b) The uncertainties associated with the measurement of risk are known;
- (c) Appropriate limits are established in accordance with the risk appetite, risk profile and capital strength of the Entity, communicated from time to time to and understood by relevant personnel;
- (d) Senior management takes the necessary measures to monitor and control any significant risk in accordance with the Group's strategy and the established level of risk appetite.

UCI is aware of the importance of the impact that correct risk management can have on the business, and it is for this reason that it is committed to developing appropriate frameworks for the identification, measurement, management and control of risks. Risk management and control at UCI Group are based on the principles indicated below, which consider regulatory requirements and market best practices:

- **Involvement of senior management:** UCI advocates for the active participation and supervision of the Entity's governing bodies. The senior management team must promote, through their conduct, actions and communications, coherent management and control of risk.
- **Holistic approach to risk culture:** Risk culture is based on the commitment and participation of all units and employees (regardless of the role they play) by engaging and integrating risk culture as a "lifestyle" and not as an imposition. All units and employees must know and understand the risks incurred in their daily activity and be responsible for their identification, assessment, management and reporting in a comprehensive and transparent manner.
A risk culture must be implemented to promote risk awareness, encourage open communication and challenge the assumption of risks in the organization in the Group.
- **Comprehensive treatment of risk management and control:** It must be ensured that the identification of risks encompasses all the Entity's material risks, on and off the balance sheet and at the group, portfolio and business line level, as well as the selection of appropriate risk measurement methodologies. Risk management and control must be carried out comprehensively across all businesses and for all types of risks, including any impacts that may result.
- **Ongoing communication:** Ongoing communication on risk issues, including risk strategy, is critical to a strong risk culture. The Board of Directors is responsible for the risks assumed by the Entity, so UCI must establish effective channels of information to the Board of Directors on the frameworks and policies related to risk management and all the material risks faced by the Group.
- **Sound information management:** An assessment, analysis and monitoring of the risks assumed should be undertaken to ensure a better understanding of risks and exposures and to allow for rapid action to address and mitigate risks.

Risk culture

Having a solid risk culture is of vital importance and one of the keys that will allow UCI Group to respond to the variations of economic cycles, new customer demands and increased competition, positioning itself as an entity trusted by all its stakeholders.

One of the pillars on which the development of the risk culture is based is the implementation of the RMS transversal to the entire entity and integrated into the strategy, transactions and culture of the Group.

Thus, excellence in risk management is one of the strategic priorities that the Group has set itself. This implies consolidating a strong risk culture throughout the organization, a risk culture that all UCI Group employees know and apply.

Our risk culture is defined through five principles:

1. **Commitment.** Risk culture is based on the commitment and participation of all units and employees (regardless of the role they perform) by getting involved and integrating risk culture as a "lifestyle" and not as an imposition.
2. **Responsibility.** All units and employees must know and understand the risks incurred in their daily activity and be responsible for their identification, assessment, management and reporting in a comprehensive and transparent manner.
3. **Simplicity.** Adapt the risk culture to the Group's business model where there are clear, documented and understandable processes and decisions for employees and customers.
4. **Customer Orientation.** All risk actions are customer-oriented, in their long-term interests. The Group's vision is to be the leader in specialized real estate financing, earning the trust and loyalty of employees, customers, shareholders and society. The way to achieve this is to proactively contribute to the progress of customers with excellent risk management.
5. **Experience.** Through situations already experienced, be able to foresee the occurrence of adverse events. This experience will be acquired through a dynamic and evolving learning process, which will be shared and transferred to all levels.

The dissemination of the risk culture is a process of continuous improvement, which is being strengthened through a series of actions based on communication, training and development and technological support of risk management.

Roles and responsibilities

The risk governance structure allows for effective supervision in line with risk appetite. It is supported by the management model of the three lines of defense, the structure of the committees and a solid risk culture.

UCI Group has a three-line defense model to manage and control risks effectively:

- **First line:** Business functions that take on or generate exposure to risks are the first line of defense. The first line of defense identifies, measures, controls, monitors and reports the risks that originate and applies to the internal regulations that regulate risk management. Risk generation should be in line with the approved risk appetite and associated limits.
- **Second line:** The risk management and control and compliance functions make up the second line of defense, which independently monitors and questions the risk management activities carried out by the first line of defense. This second line of defense must ensure, within their respective areas of responsibility, that risks are managed in accordance with the risk appetite defined by senior management and promote a strong risk culture throughout the organization.

- **Third line:** the internal audit function is independent to assure the Board of Directors, and senior management, of the quality and effectiveness of internal controls, governance and risk management systems, helping to safeguard value, solvency and reputation.

The risk management, compliance and internal audit functions have an appropriate level of separation and independence. Each of them has direct access to the Board of Directors and its Committees.

Risk Management Function (FGR)

In general, the FGR has the following characteristics:

- It is a central element of the organization that encompasses the entire Entity and is structured so that it can implement risk policies and control the Risk Management Framework, and actively participates in all important risk management decisions;
- Ensures the identification, measurement, evaluation, monitoring and proper communication of all group risks by the relevant business lines or internal units, and compliance with the risk strategy;
- Independently assesses breaches of appetite or risk limits and reports to business units and the management body, recommending possible solutions;
- The head of the FGR is responsible for providing exhaustive and understandable information on risks and for advising the management body and the Board of Directors (through direct communication) so that the Entity's overall risk profile can be understood;
- It has the appropriate authority, rank and resources, considering the proportionality criteria to implement risk policies and the Risk Management Framework;
- It has direct access to the management body in its supervisory function and to its committees, and to the Board of Directors through the Independent Audit and Risk Committee;
- It has access to all lines of business and internal units with the potential to generate risk, as well as relevant subsidiaries and associates;
- The staff of the FGR has adequate knowledge, skills and experience in relation to risk management techniques and procedures, as well as markets and products;
- The FGR recommends improvements to the Risk Management Framework through action plans and corrective measures in the event of any non-compliance with policies, procedures and risk limits.

Internal Control Function (ICF)

Responsible for providing a reasonable degree of assurance as to the achievement of loans, reporting and compliance objectives.

The main functions of the FCI are as follows:

- Goal-oriented in different categories (loans, information, and compliance).
- Processes that consists of continuous tasks and activities where the main inherent risks to which the entity is exposed are identified.
- Management monitoring, providing reasonable security.
- Follow-up actions and reviews of the System, adapting to the structure of the entity.
- Issuance of reports according to the standards established by senior management, the board or the supervisor.
- Carried out through the definition and implementation of controls that, based on the inherent risks, will allow establishing a residual risk for each of them.

Compliance Function

The regulatory compliance function is a fundamental component of Corporate Governance in strengthening risk control mechanisms and enables the balance of the different elements of surveillance and supervision of the Entity.

In relation to compliance risk, as a second line of defense, the following 8 functions stand out:

- Development of Codes of Conduct, frameworks and policies related to compliance risk;
- To propose to the Management Committee and the Board of Directors, if applicable, the approval of the frameworks, policies, codes of conduct and their implementing regulations, as well as any significant or non-significant modifications that may occur to them in accordance with the 'Governance Procedure for Frameworks and Policies'.
- Define and establish a Compliance Risk Supervision and Surveillance Programme in line with the strategy, requirements and risk appetite established by the Board of Directors.
- Prepare periodic reports to the Management Committee and the Board of Directors on relevant findings and incidents resulting from the ongoing monitoring, evaluation and management of compliance risk to ensure that compliance is within the permitted limits, and that the subject persons respect and adhere to the laws, applicable norms, regulations and standards.
- Identify any changes in the legal or regulatory environment that may have an impact on the compliance framework and assess them.
- Collaborate and exchange information with the Risk function, appropriate, in the performance of their respective functions as a second line of defense, facilitating an integrated approach to the control and management of the overall risks to which the Group is exposed, including compliance risks, in accordance with the risk appetite framework.
- Define and establish adequate and effective mechanisms to prevent disciplinary offences, internal or external conduct that may facilitate or enable fraud, money laundering, terrorist financing or other economic crimes.
- Participate in the definition of training and certification plans to ensure adequate knowledge on the part of the Group's employees and especially those who carry out activities that by their nature are exposed to the risk of compliance.

Internal audit function

The Internal Audit Department independently reviews and provides objective assurance of compliance of all activities and units of the entity, including outsourced activities, with the entity's policies and procedures and regulatory requirements. Internal audit work is performed according to an audit plan and a detailed audit program following a risk-based approach.

Within the framework of the Audit function, the Independent Audit and Risk Committee assumes among its functions:

- Discuss with the Internal Audit Directorate and Senior Management the appropriate authority, role, responsibilities, scope and services (assurance and/or advisory) of the Internal Audit Function.
- Ensure that the Internal Audit Department has unrestricted access and communicates and interacts directly with the Board, including private meetings without the presence of Senior Management.
- Approve and revise the Statute of the Internal Audit Function, which includes the Internal Audit Mandate and the scope and types of Internal Audit services. Discuss with the Internal Audit Directorate and Senior

Management other issues that should be included in the Internal Audit Charter.

- Approve the risk-based Internal Audit Plan.
- Approve the administration of human resources and budgets of the Internal Audit Function.
- Collaborate with senior management to determine the qualifications and competencies that the organization expects in a Director of Internal Audit, as outlined in the Global Standards on Internal Auditing.
- To authorize the hiring and dismissal of the Internal Audit Directorate. Participate in the process of reviewing performance and remuneration.
- Receive communications from the Internal Audit Directorate about the Internal Audit Function, including its performance in relation to its plan.
- Ensure that a Quality Assurance and Improvement Program has been established and review the results annually.
- Ask appropriate questions of Senior Management and the Internal Audit Directorate to determine if scope or resource constraints are inappropriate.

The scope of Internal Audit activities includes, but is not limited to, objective reviews of evidence in order to provide independent assessments to the Independent Audit and Risk Committee, senior management and external parties on the adequacy and effectiveness of governance, risk management and control processes for UCI. Internal Audit evaluates the effectiveness and efficiency of the internal control framework. In particular, Internal Audit assesses whether:

- Risks related to the achievement of the Group's strategic objectives are appropriately identified and managed.
- The activity of employees, managers, directors, suppliers or other relevant parties of the Group comply with applicable policies, procedures and laws, regulations and governance standards.
- Policies, processes and procedures are being applied in the loans and transactions carried out.
- Outsourced processes are efficient and reliable and comply with agreements signed with third parties.
- Programs are conducted effectively and efficiently.
- The processes and systems in place allow compliance with policies, procedures, laws and regulations that could significantly impact the Group.
- The integrity of the information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and properly protected.

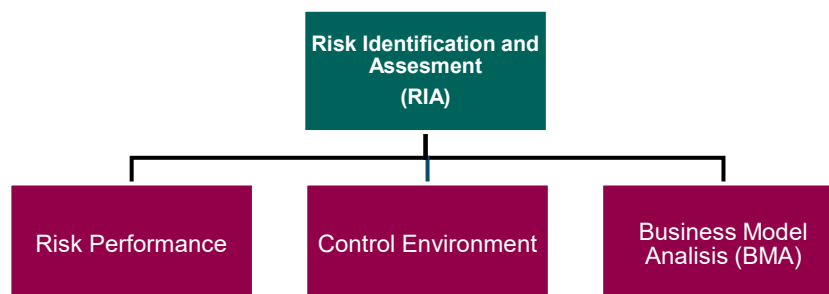
Metodología RIA (Risk Identification and Assessment)

UCI Group systematically assesses the Entity's risk profile using a unique and robust methodology that allows it to analyze all types of risk to which it is exposed, in accordance with the identified corporate risk map. In addition, it yields results at different levels by type of risk and unit through a scoring system that classifies the profile into four categories: low, medium-low, medium-high and high.

The RIA (Risk Identification and Assessment) methodology, aligned with the methodology of the shareholders, the best practices in the market and taking as a reference the guidelines aimed at the supervisor established in the SREP, is based on the fundamental principles of the risk identification and assessment model, such as: self-assessment and suitability of the exercise, efficiency, holistic and comprehensive view of risk, through the use of common methodologies, convergence and alignment oriented to decision-making.

The exercise involves all three lines of defense, reinforcing our risk culture by analyzing how risks evolve and identifying areas for improvement.

The assessment of the risk profile integrates the following blocks:



Risk performance, which allows the exposure profile to each type of risk to be measured.

Control environment, in which the distance to the target operating model of our advanced risk management is evaluated in accordance with regulatory requirements and market best practices.

Business model analysis, prospective analysis, evaluates potential threats that may impact business planning and strategic objectives.

Scenario analysis

A fundamental tool to ensure robust risk management and control is the analysis of the possible impacts arising from the different scenarios related to the environment in which the Group operates, with the aim of determining capital and liquidity requirements.

In this regard, the UCI Group carries out internal capital and liquidity adequacy exercises (IACL) in which the entity develops its methodology to assess capital and liquidity levels under different scenarios based on adverse developments in different macroeconomic variables (GDP, interest rates, employment, house prices and credit differentials).

Structure of risk management committees

The Board of Directors is ultimately responsible for risk management and control. It reviews, approves, and monitors the entity's risk appetite and risk management framework, and promotes a strong risk culture across the organization.

The Chief Risk Officer (CRO) sets the risk management strategy, promotes an appropriate risk culture and is responsible for overseeing all risks, as well as questioning and advising lines of business on their risk management. The CRO has direct access to and reports to the Independent Audit and Risk Committee and through it to the Board of Directors.

Risk governance keeps the line of control separate from the line of risk-taking:

	Independent Audit and Risk Committee	Risk Management Committee
Features	<p>To advise the Board of Directors on the entity's current and future overall risk appetite and its strategy in this area, and to assist it in monitoring the implementation of that strategy.</p> <p>The Board's Independent Audit and Risk Committee is responsible for risk management, in accordance with the powers delegated by the Board. The Committee does not accept or make decisions to take on more risk, it is not an executive committee, its role is to inform the Board.</p>	<p>This committee is responsible for managing risks and providing a holistic view of risks.</p> <p>It determines whether lines of business are managed according to risk appetite. It also identifies, tracks and assesses the impact of current and emerging risks on the Group's risk profile.</p>
Presides	Independent Director	Chief Risk Officer (CRO)
Composition	Appointed proprietary directors and other members of senior management (CEO), representing risk management, compliance and internal audit functions.	Members of senior management and the risk management, compliance, financial and general intervention functions.
Frequency	At least once a year (4 in 2025)	Quarterly

For more information, please consult the UCI website, in the "Corporate governance and remuneration policy" space <https://uci.com/es/inversores/gobierno-corporativo/>

2.4 Risk Appetite Framework

UCI Group carries out comprehensive risk management, where the definition and control of risk appetite is a key element. Risk appetite is defined at an aggregate level and considering the different types of risks that the company is willing to assume to achieve its strategic objectives.

In this context, the Group defines and implements its Risk Appetite Framework (hereinafter RAF), thus formalizing the appropriate articulation of decisions in the field of risks, the definition, level and composition of the risks that the UCI Group wishes to assume in its activity, as well as the monitoring mechanism and follow-up of these.

As part of the RAF, a formal statement of risk appetite (hereinafter referred to as RAS) is included which sets out the articulation, in written form, of the aggregate level of the types of risk that UCI is willing to avoid, reduce, share or accept in order to achieve its strategic objectives.

The risk appetite statement is the responsibility of the risk owners and approval is the responsibility of the Board of Directors through its delegated body, the Independent Audit and Risk Committee.

The risk management function is responsible for the management, monitoring and communication of results to senior management and the Board of Directors in the different reports it prepares.

The main elements underlying the Entity's risk appetite are as follows:

- A medium-low and predictable objective risk profile focused eminently on the granting of mortgage loans to individuals.
- A solid structure in terms of capital and liquidity, with risk profiles that do not compromise the Group's viability.
- An independent risk management function with active involvement of senior management to strengthen a strong risk culture and sustainable return on capital.
- A remuneration policy that aligns the individual interests of employees and managers with risk appetite, and the Group's long-term results.

The Risk Appetite Framework includes all the entity's risks and is as follows:

Credit risk: is the risk of financial loss caused by the breach or deterioration of the credit quality of a customer or a counterparty, to whom UCI Group has financed or with which a contractual obligation has been assumed.

Concentration risk: Concentration indicates the absence of diversification from the point of view of geographical exposure, type of customer, specific products or sales channel.

Structural balance sheet interest rate risk: this is the exposure to which the company is subject as a result of adverse movements in interest rates. This sensitivity is conditioned by the lags in the maturity and revision dates of the interest rates of the different items on the balance sheet.

Solvency risk: identified with the Entity's ability to generate funds to meet, under the agreed conditions, the commitments acquired with third parties. Solvency is closely linked to credit risk, as it represents the possible loss that would be caused to the Entity by the variation in conditions and characteristics, which could alter the company's ability to meet the contractual terms of its loans.

Liquidity and funding risk: this is the risk that the liquid financial resources necessary to meet the obligations contracted when they fall due are not available, or that they can only be obtained at a high cost.

Market risk: reflects the possibility of suffering losses arising from adverse movements in market prices and/or the negotiable instruments with which the Entity operates.

Operational risk: is the risk of suffering losses due to inadequacy or failures of processes, employees and internal systems, or due to external events. It includes legal risk and regulatory and behavioral compliance risks.

Reputational risk: It is the risk of a negative economic impact, current or potential, due to a deterioration in the perception of the entity by employees, customers, shareholders/investors and society in general.

Strategic risk: is the risk of loss or damage arising from strategic decisions, or their poor implementation, that affect the medium and long-term interests of our main stakeholders, or an inability to adapt to the evolution of the environment.

ESG risk: includes the environmental factor (E), to make decisions based on how the activities of companies affect the environment, the social factor (S), to take into account the impact that the activities carried out by the company have on the community, and the governance factor (G), which studies the impact of the shareholders themselves and the management, and it is based on issues such as the structure of the Board of Directors, shareholder rights or transparency, among others.

2.5 Sustainability

This chapter includes the most relevant elements of the Sustainability Report, for more information, consult the 2025 Sustainability Report published on the Entity's website, in the Information for Investors section:

<https://uci.com/es/inversores/informacion-economico-financiera-inversores/>

The consolidated Non-Financial Information Statement is part of the UCI Group's Management Report and is issued as a separate report. The scope of the consolidation of the sustainability statement is the same as for the financial statements. The companies UCI S.A., Retama Real Estate S.L., UCI Servicios para Profesional Inmobiliarios, S.A.U., UCI Brazil Ltda., UCI Grecia S.A.¹, are exempt from individual or consolidated sustainability reporting, as they are not significant in terms of assets, employees and assets.

At UCI we have consolidated sustainability as a strategic axis that guides both the business and the daily management of our business. This approach allows us to actively contribute to the transformation of the financial sector and the real estate sector, accompanying households and the market in their transition towards more

¹ On December 30, 2025, the sale of UCI Greece was formalized. Although the transaction has retroactive effects from a commercial point of view, as of the date of preparation of this report, this retroactivity is pending definitive confirmation. Consequently, the scope of this Sustainability Information Statement includes UCI's transactions in Greece, as it has been part of the Group's perimeter for the entire 2025 financial year.

efficient, inclusive and resilient models. As an entity specializing in housing financing, we understand our responsibility to facilitate this evolution and to generate a positive impact throughout the value chain.

In 2025, a comprehensive analysis of the UCI Group's context has been carried out to identify the key elements of the entire value chain, including its own transactions and upstream and downstream phases. After carrying out the double materiality analysis, which is developed in the Double materiality section of this chapter, the material impacts, risks and opportunities of the entire value chain have been integrated into the content of the report. UCI has not omitted specific information because it is sensitive, because it is related to imminent events or matters under negotiation, nor has it omitted information corresponding to intellectual property, technical knowledge or innovation results.

For its part, this Report has been verified by Forvis Mazars Auditores, S.L.P., in its capacity as an independent provider of verification services, in accordance with the wording given by Law 11/2018 to article 49 of the Commercial Code.

With this Sustainability Report we report about UCI in relation to compliance with the obligations established in article 49 of the Commercial Code, following the amendment introduced by Law 11/2018, which transposes Directive 2014/95/EU on the disclosure of non-financial information and diversity into Spanish law. We have also taken into account Regulation (EU) 2020/852 on the European Taxonomy, regarding the classification of economic activities according to their contribution to climate change mitigation or their negative impact on the environment.

This Report has also been prepared in accordance with the European Sustainability Reporting Standards (NEIS), within the framework of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (CSRD). The NEIS constitutes the main reference framework for the definition of the structure of the report, the organization of the contents and the disclosure requirements applicable to UCI's sustainability information.

In 2025, we carried out the double materiality analysis in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (CSRD) and the European Sustainability Reporting Standards (NEIS). The structure, contents and disclosure requirements of this report have been defined by reference to this regulatory framework.

Our strategy and business model

Our Strategy

In 2025, we consolidated our sustainability strategy as an essential component of our corporate identity, integrating it transversally into our organizational culture and the way we carry out our activity. This strategy is aimed at generating value, trust and reputation in the long term, aligning discourse with action and evidencing the positive impact of the business model in the environmental, social and governance fields.

The integration of sustainability into the company's DNA involves all levels and areas of the organization, as well as our main stakeholders, and is supported by our business model.

Our sustainability strategy is structured around objectives that reflect this ambition and that are translated into specific lines of action:

- **Reducing our environmental footprint** by promoting green mortgages and energy rehabilitation of the building stock.
- **Promote financial inclusion and diversity** through social programs and equality plans.
- **Strengthen ethical governance by assessing ESG** suppliers and improving corporate transparency.

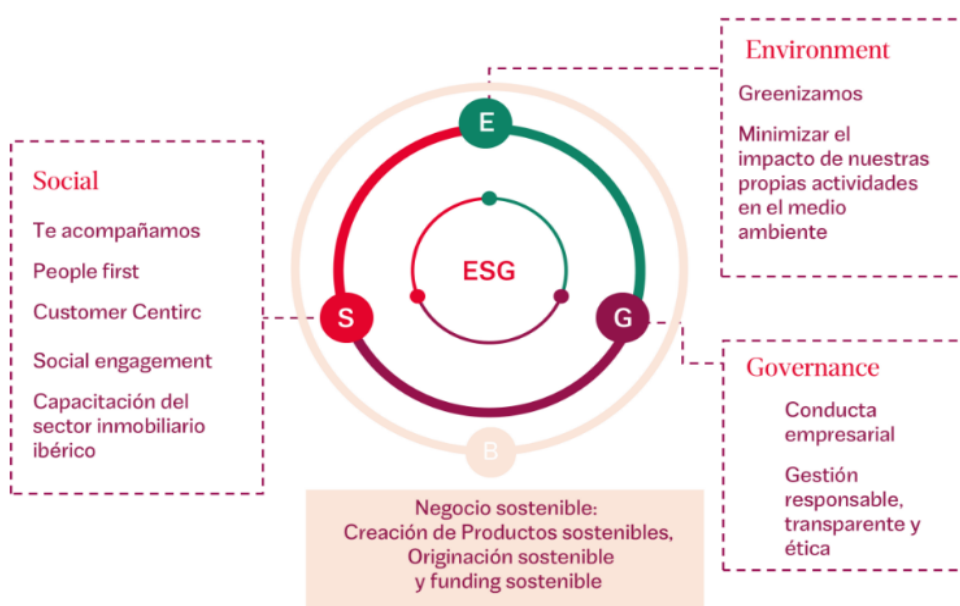
These objectives are directly linked to the material issues of the company, described in the Double materiality section.

Our ESG Commitment

At UCI we integrate sustainability into the development of our activity, considering people and the environment as key elements in decision-making. This approach guides our strategy and allows us to identify, in each ESG dimension, the areas in which our actions generate greater value.

The incorporation of these criteria into the management model contributes to responsible and sustainable business performance, supported by the commitment of the teams and meeting the expectations and needs of our stakeholders.

Our greatest commitment is to create value for stakeholders by incorporating ESG criteria into new lines of business



On a regular basis, the Management carries out a context analysis (SWOT) in which threats and weaknesses, strengths and opportunities are evaluated, considering internal and external factors and six perspectives: **business, profitability, sustainability, culture, customers and technology.**

Based on this analysis, Management determined the necessary adaptations on the axes and strategic lines corresponding to the 2025 strategy, which were communicated to the entire organization. For its deployment, the areas developed their functional plans, defining the actions, projects and KPIs aligned with the strategy. Management regularly monitors the progress of the functional plans and strategy.

In October 2025, the Management began a new process of review and analysis of the context with the aim of defining the strategy for the next year. As an improvement to the process, the 19 risks and 8 opportunities identified in the 2025 double materiality study were incorporated into the SWOT analysis, taking into account the ESG approach and the prioritization of materiality issues from the perspective of stakeholders.

Following this analysis, Management established the necessary adjustments to the 2026 strategy. These changes were communicated to the entire organization in January 2026, at the UCI Day event. Once presented, and for the deployment of the strategy, the areas prepared their functional plans, as set out in the Strategy 2026 document.

Our business model, value chain and product

We are a financial institution dedicated to the financing of the purchase and renovation of housing, with a presence in Spain, where our headquarters are located, in Portugal and Brazil. Our business model is aimed at meeting the demand for housing through responsible, personalized and sustainable financing solutions, facilitating access to housing in the markets in which we operate.

In Spain, we also contribute to the renovation of the built stock by financing rehabilitation projects, with the aim of moving towards more sustainable and efficient cities.

We offer different financing options that include:

- **Acquisition of housing**, both first and second residence.
- **Purchase with simultaneous renovation**, which allows the acquisition of the home and its subsequent renovation to be financed in the same transaction.
- **Self-construction of housing** through a self-development mortgage, intended for the construction of a home on land owned by the client.
- **Financing for young people**, including solutions within the framework of the ICO guarantee program to facilitate access to housing.
- **Financing for homeowners' associations**, aimed at promoting energy rehabilitation projects for their buildings.
- **Financing for non-resident clients** who wish to purchase a home in the Iberian Peninsula.

Our mortgages are designed to encourage the development of more sustainable homes, aligned with energy savings and awareness of climate change. In terms of eligibility criteria, green homes are those that have an A energy certification or have an energy consumption at least 10% lower than the reference standard for each climate zone. In the case of renovations, they must achieve a minimum reduction of 30% in energy consumption to be considered eligible. These criteria are aligned with the European Taxonomy for environmentally sustainable activities, as well as with the commitments made to the European Investment Bank (EIB) and the European Investment Fund (EIF) on sustainable financing.

The sustainability model

Governance and management of Sustainability

Responsibility for sustainability ultimately lies with the Board of Directors, from which the powers delegated to the various committees and commissions emanate. The Board establishes and approves the sustainability strategy and its implementing regulations, promotes the integration of ESG criteria into the organization's processes, promotes employee awareness and values UCI's participation in national and international initiatives in this area. It also integrates ESG risks into the Entity's decision-making and approves sustainability objectives.

Our commitments to sustainability impacts, risks and opportunities are reflected in a corporate policy framework that sets out the principles and guidelines for action. The Board of Directors is responsible for approving and supervising the application of these policies, based on which the company's management is defined, oriented towards a resource and human capital management model focused on the creation of value in a sustainable and transparent manner.

For its part, the Management Committee reports directly to the Chief Executive Officer (CEO), constituting a direct line of information to senior management and facilitating the monitoring and integration of sustainability-related issues in strategic decision-making, favoring cross-cutting collaboration within the organization.

The supervision of sustainability objectives is fully integrated into corporate governance through the participation of both the Board of Directors and the Management Committee, in accordance with the governance model

defined by the organization. In this framework, the Board approves at the beginning of each financial year the company's strategic objectives, including specific objectives related to material issues. At quarterly Board meetings, senior management presents the Risk Management System, which incorporates relevant ESG risks and their integration into corporate planning, control and resource allocation processes.

Our 2025 milestones

For our company, sustainability is a strategic axis and is integrated transversally into its activity, together with a firm commitment to innovation and the decarbonization of the real estate stock in Spain and Europe. In 2025 we have carried out key actions and projects that consolidate UCI as an entity committed to a responsible business model aligned with ESG criteria.

- **Social impact and contribution to society**
In 2025 we are strengthening our social contribution through actions aimed at impacting employment, local development and supporting the groups with which we interact. These actions, aligned with our social action policy and with the alliances established with social entities, reflect UCI's role as an active agent in the generation of social value.
- **Commitment and leadership in sustainability**
During the year, we reaffirmed our commitment to sustainability and to the responsible transformation of the financial sector.

Double Materiality

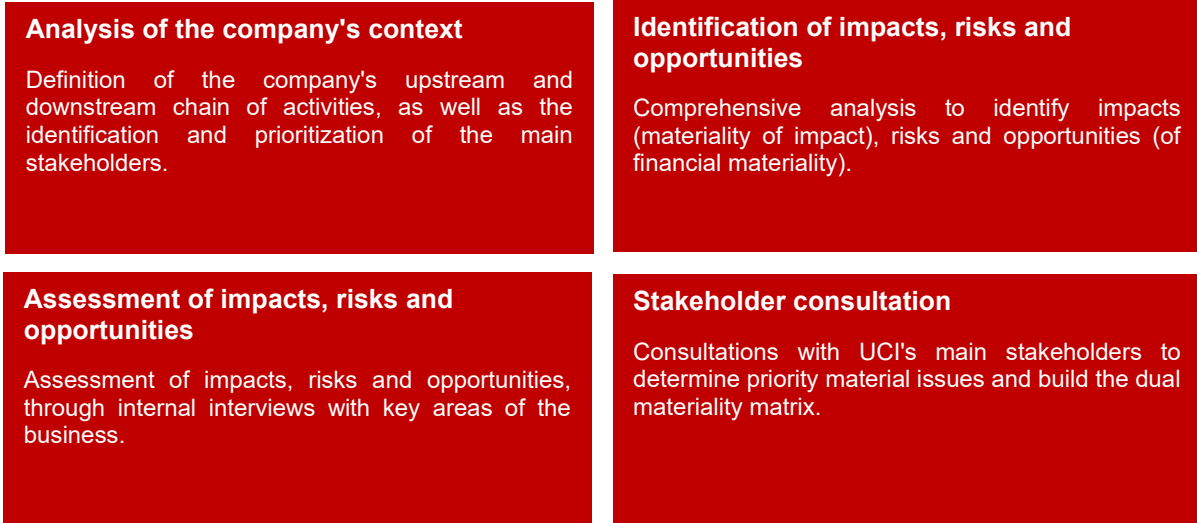
Methodology of the Double Materiality Study

The double materiality analysis has been updated in 2025 following the requirements established by the Corporate Sustainability Reporting Directive (CSRD) and the European Commission's Delegated Regulation 2023/2772, which includes the European Sustainability Reporting Standards (NEIS).

In addition to being the basis of the Sustainability Report, it provides exhaustive knowledge for the development of the sustainability strategy, based on external expectations and internal needs, from a double perspective:

- **MATERIALITY OF IMPACT:** Actual or potential negative and positive impacts of UCI on the environment and people, including those affecting human rights.
- **FINANCIAL MATERIALITY:** Risks and opportunities of ESG issues that affect UCI's financial performance and its ability to create value for shareholders and investors.

The study has been carried out from a consolidated approach, integrating all the companies of the UCI Group, the value chain, activities and stakeholders. The process has followed four phases, based on context analysis, to identify and evaluate the impacts, risks and opportunities, finally consulting the company's most relevant stakeholders.



This analysis is reviewed annually. Compared to the last year, progress has been made in the analysis of the value chain (integrating a broader vision of the UCI Group companies), the IRO approach and the evaluation methodologies. The results have been consolidated in the double materiality matrix in which the topics are classified according to impact on stakeholders and the business. This Sustainability Report reports UCI's activity on all issues considered material.



Contribution to the 2030 Agenda

As partners of the Spanish Global Compact Network, we align our actions with the principles of the 2030 Agenda. We have prioritized the Sustainable Development Goals to which our activity generates a more direct contribution, both from the business and from our commitments to sustainability. Our contribution is articulated around five priority SDGs, four interrelated SDGs and one cross-cutting SDG. This allows us to concentrate our efforts on those areas where we can add the greatest value to sustainable development.

Priority SDGs	Interrelated and cross-cutting SDGs
 <p>4 EDUCACIÓN DE CALIDAD</p>	 <p>5 IGUALDAD DE GÉNERO</p>
<p>SDG 4. Quality education We contribute to the development of the community through education-oriented initiatives, with a special focus on financial education.</p>	<p>SDG 5. Gender equality We promote equal treatment and opportunities between women and men, integrating this principle into our policies, processes and internal practices.</p>
 <p>8 TRABAJO DECENTE Y CRECIMIENTO ECONÓMICO</p>	 <p>7 ENERGÍA ASEQUIBLE Y NO CONTAMINANTE</p>
<p>SDG 8. Decent work and economic growth We promote the well-being and professional development of the people who make up the organization, in a safe, diverse work environment oriented towards continuous improvement and the achievement of objectives.</p>	<p>SDG 7. Affordable and clean energy We facilitate the renovation of buildings and the acquisition of housing through financing solutions that contribute to the improvement of energy efficiency and the reduction of emissions.</p>
 <p>10 REDUCCIÓN DE LAS DESIGUALDADES</p>	 <p>11 CIUDADES Y COMUNIDADES SOSTENIBLES</p>
<p>SDG 10. Reducing inequalities We contribute to people's well-being by promoting inclusive and diverse growth, both internally and in our relationship with the groups with which we interact.</p>	<p>SDG 11. Sustainable cities and communities We contribute to the development of more sustainable and inclusive urban environments through access to adequate housing and the sustainable financing of projects linked to the residential field.</p>
 <p>13 ACCIÓN POR EL CLIMA</p>	 <p>12 PRODUCCIÓN Y CONSUMO RESPONSABLES</p>
<p>SDG 13. Climate action We address climate change and its effects through sustainable financing solutions aimed at decarbonisation and improving the efficiency of the building stock.</p>	<p>SDG 12. Responsible production and consumption We promote responsible practices in the use of resources and encourage awareness and knowledge about sustainability among employees and stakeholders.</p>
 <p>16 PAZ, JUSTICIA E INSTITUCIONES SÓLIDAS</p>	 <p>17 ALIANZAS PARA LOGRAR LOS OBJETIVOS</p>
<p>SDG 16. Peace, justice and strong institutions We have a strong governance structure and foster a corporate culture based on ethics, transparency and compliance throughout the organization.</p>	<p>SDG 17. Partnerships to achieve the goals We establish alliances with national and international entities to generate shared value and advance in the fulfillment of the sustainable development goals.</p>

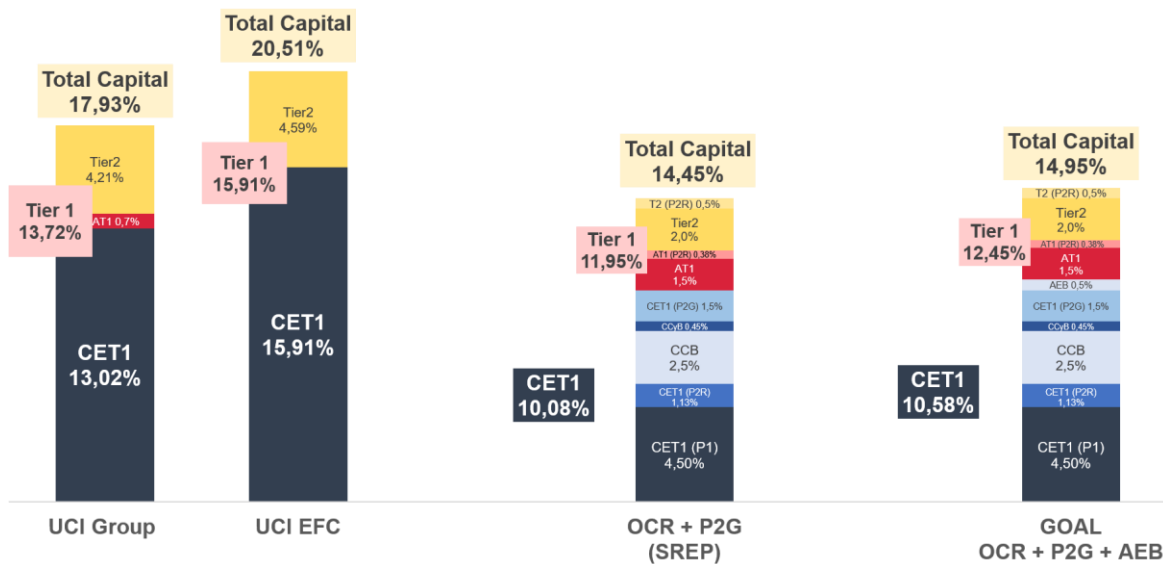
3. Solvency

3.1 Annual evolution

As of 1 January 2025, Regulation (EU) 2024/1623 ('CRR3') has entered into force, introducing amendments to the determination of own funds and capital requirements.

In this context, the CET1 ratio stands at 13.02% (11.53% in 2024), above the minimum requirement of 10.08% (8.58% without P2G). AT1 (Additional Tier 1) represents 0.70% made up entirely of contingent convertible bonds. In this way, the Tier 1 ratio amounts to 13.72% (12.05% in 2024), exceeding the minimum requirement of 11.95% (10.45% without P2G). Tier 2, consisting of subordinated debt, represents 4.21%. The total capital ratio stands at 17.93% (15.56% in 2024), above the minimum requirement of 14.45% (12.95% without P2G). The requirements mentioned above include the countercyclical buffer of 0.5% on exposures in Spain.

The Group maintains a total capital ratio (TSCR) and total capital requirements (OCR) in accordance with the specifications established by the supervisor and the internal objectives set by the entity. During the 2025 financial year, our solvency level has allowed us to absorb the impact derived from the plan to reduce non-performing assets through the sale of portfolios of non-performing assets.



3.2 Managing solvency risk

The management and adequacy of capital in UCI Group seeks to guarantee solvency and maximize profitability, complying with internal capital objectives, as well as regulatory requirements. It is a fundamental strategic tool for decision-making at the corporate level.

- Establishment of solvency objectives aligned with regulatory requirements and internal policies, to ensure a solid level of capital consistent with the risk profile and an efficient use of capital in order to maximize shareholder value.
- Capital planning is an essential part of the implementation of the three-year strategic plan.
- Assessment of capital adequacy to ensure that the capital plan is consistent with the risk profile and its risk appetite framework also in adverse scenarios.
- Preparation of internal capital reports, as well as for supervisory authorities and the market: ICAAP (IACL) and IRP.

The Group's capital management function operates at three levels.

Regulatory Capital

To manage regulatory capital, the starting point is the analysis of capital and leverage ratios under the criteria of current regulations and the scenarios used in planning to make the capital structure as efficient as possible, both in terms of cost and in compliance with prudential requirements.

Economic capital

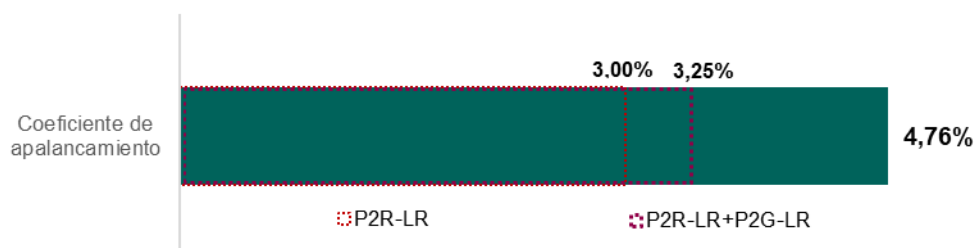
The economic capital model aims to ensure that capital is appropriately allocated for all the risks to which it is exposed as a result of the activity and risk appetite and aims to optimize the Group's value creation.

Profitability and pricing

To create value and maximize profitability by taking care of and choosing the most appropriate strategies based on profitability considering risk. That is why profitability and pricing are part of the key processes of the capital model.

3.3 Leverage ratio

This ratio measures the ratio of a credit institution's capital to its total exposure (including assets and off-balance sheet items), without considering the level of risk of those exposures. At the end of the year, the leverage ratio stood at 4.76% (5.31% in 2024).



LEVERAGE RATIO ELEMENTS	GROUP 2025
TOTAL EXPOSURE	9.106,45
Assets	8.775,95
Derivatives contracts	3.149,03
Counterparty credit risk additions	0
Off-balance sheet items	42,41
Exposures excluded from total exposure	0
TIER 1 CAPITAL	433,49
LEVERAGE RATIO	4,76%

Data in millions of euros

For 2025, the total leverage ratio (OLRR) requirement stands at 3%, increasing to 3.25% when including P2G-LR. This limit is monitored by different internal committees, ensuring that the ratio comfortably exceeds the level established in the solvency regulations.

	GROUP 2025
C47.00-Calculation of the leverage ratio	
SFT: Addition by Counterparty Risk (0020)	190,14
Off-balance sheet items with a conversion factor of 40 % in accordance with Article 429f of the CRR (0165)	42,41
Other assets (0190)	8.873,90
(-) Amount of assets deducted from Tier 1 capital (as defined as transitional for a transitional period) (0280)	-
Total Exposure Measure for the Leverage Ratio (as defined by Tier 1 capital to be applied upon completion of the phase-in process) (0290)	9.106,45
Total Exposure Measure for Leverage Ratio (as defined as Transitional Tier 1 Capital) (0300)	9.106,45
Tier 1 capital (as defined upon completion of the phase-in process) (0310)	433,49
Tier 1 capital (as defined as transitional) (0320)	433,49
Leverage ratio (as defined as Tier 1 capital to be applied upon completion of the phase-in process) (0330)	4,76%
Leverage ratio (as defined by transitional Tier 1 capital) (0340)	4,76%
Pillar I Leverage Ratio Requirement (0410)	3,00%
SREP Total Leverage Ratio (RRAPTP) Requirement (0420)	3,00%
Total Leverage Ratio (RRAT) Requirement (0440)	3,00%
Total Leverage Ratio (RRAT) and Pillar II Recommendation (P2G) Ratio Requirement (0450)	3,00%
RRAT and P2G: Tier 1 capital (0470)	3,00%

Data in millions of euros

3.4 Eligible own funds

For the purposes of calculating the minimum capital requirements, Tier 1 capital is defined together with its corresponding deductions, in accordance with the provisions of Part Two, Title I, Chapters 1, 2 and 3 of Regulation (EU) No 575/2013, as amended by Regulation (EU) 2024/1623 ("CRR3").

Equity in the prudential area is made up of: Tier 1 capital, resulting from the aggregation of Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Tier 2 capital.

At the end of the year, the UCI Group's equity consisted of:

Common Equity Tier 1 (CET1) capital

- Share capital: in both cases it is paid-up share capital.
- Effective and express reserves²: generated from retained earning.
- Profit or loss for the year.

These computable elements are adjusted by prudential filters (Articles 32 to 35 CRR) and by deductions (Article 36 et seq. CRR) which are listed below:

- Deferred tax assets (DTAs): deduction of deferred tax assets that depend on future returns, net of related deferred tax liabilities that meet the requirements of Article 38.3 of the CRR. Deferred tax assets arising from temporary differences shall be exempt from the deduction provided that the limits established in Article 48 of the CRR are not exceeded. As of December 31, 2025, the entire deduction corresponds to deferred tax assets that do not originate from temporary differences.
- Securitization transactions: securitization positions, with a risk weight of 1250%, are incorporated, on which it has been decided to deduct directly from CET1 instead of applying the risk weight, in accordance with Article 36.1(k).

² Fewer adjustments per rating

Additional Tier 1 Capital (AT1)

It includes the issuance of debt instruments represented by convertible subordinated negotiable securities (CoCoS).

Tier 2 Capital (AT2)

It includes the issuance of subordinated debt that meets the computability requirements established in Article 63 of the CRR. Understood as such, those that, for the purpose of priority of claims, are placed behind all common creditors.

- These instruments must have a term of no less than five years, counting from their effective disbursement; If the expiration date has not been set, a notice of at least five years must be stipulated for its withdrawal. In both cases, the total amount of Tier 2 instruments with a residual maturity of more than five years prior to the maturity of those instruments shall be reduced as own funds at the rate of the value obtained in the calculation, multiplying by the amount by the number of days remaining until the contractual maturity of the instruments. As a result of this amortization mechanism, when the residual maturity is less than one year, these instruments are no longer eligible as Tier 2 capital.
- They may not contain redemption, redemption or early redemption clauses at the option of the holder, without prejudice to the fact that the debtor may proceed with early redemption at any time if this does not affect the solvency of the Entity.

The amount of different items that make up UCI Group's equity at the end of the year is as follows:

C_01.00 - Capital adequacy - Definition of equity	GROUP 2025
Own funds (0010)	566,36
Tier 1 Capital (0015)	433,49
Common Equity Tier 1 Capital (0020)	411,49
Capital instruments eligible as Common Equity Tier 1 (0030)	475,02
Fully Paid-Up Equity Instruments (0040)	227,44
Share premium (0060)	247,58
Accumulated Earnings (0130)	-35,66
Cumulative gains from previous years (0140)	38,84
Eligible results (0150)	-74,50
Profit or loss attributable to parent owners (0160)	-74,50
Other cumulative global profit (0180)	112,82
Common Equity Tier 1 adjustments due to prudential filters (0250)	-112,82
Cash Flow Hedging Reserve (0270)	-112,82
(-) Other Intangible Assets (0340)	-2,31
(-) Other Intangible Assets Before Deducting Deferred Tax Liabilities (0350)	-2,31
(-) Of which: software assets accounted for as intangible assets before deducting deferred tax liabilities (0352)	-2,31
(-) Deferred tax assets that depend on future income and do not result from temporary differences, net of related tax liabilities (0370)	-23,11
(-) Securitization positions that may alternatively be subject to a risk weight of 1 250 % (0460)	-1,40
(-) Inadequate coverage of non-performing exposures (0513)	-1,05
Additional Tier 1 Capital (0530)	22,00
Capital instruments eligible as Additional Tier 1 capital (0540)	22,00
Fully paid-up and directly issued equity instruments (0551)	22,00
Tier 2 Capital (0750)	132,87
Equity instruments eligible as Tier 2 (0760)	132,87
Fully paid-up and outright equity instruments (0771)	132,87

Data in millions of euros

3.5 Own funds requirements

The entity calculates its total capital needs by simply adding the capital necessary to cover each of its risks independently, according to the result of the individual measurements of each risk.

Minimum capital requirements	Approach	OBE 2025	GROUP 2025
Credit risk	Pillar 1	247,08	246,27
Credit concentration risk	Simplified option	-	-
Operational risk	Pillar 1	7,76	6,50
Balance sheet structural interest rate risk	Simplified option + Focus on the impact of unfavorable interest rate movements	-	-
Aggregation of the capital needs of the different risks		254,84	252,77

Data in millions of euros

The entity's own funds at the end of the year are sufficient to cover the capital requirements of the different risks, the capital requirements according to the SREP (P2R) and the Pillar 2 recommendation (P2G) indicated in section [1.4 Applicable Regulatory Framework](#).

C_03.00 - Capital Adequacy - Ratios	GROUP 2025
Common Equity Tier 1 Ratio (0010)	13,02%
Surplus (+) / deficit (-) of Common Equity Tier 1 capital (0020)	269,31
Tier 1 capital ratio (0030)	13,72%
Surplus (+) / deficit (-) of Tier 1 capital (0040)	243,92
Total capital ratio (0050)	17,93%
Surplus (+) / deficit (-) of total capital (0060)	313,59
Common Equity Tier 1 capital ratio taking into account the total amount of non-floor risk exposure (0070)	13,02%
Tier 1 capital ratio taking into account the total risk exposure amount not subject to floor (0080)	13,72%
Total capital ratio taking into account the total risk exposure amount not subject to floor (0090)	17,93%
SREP (0130) Total Capital Requirement Ratio	10,00%
SREP Total Capital Requirement: Composed of Common Equity Tier 1 (0140)	5,63%
SREP Total Capital Requirement: Tier 1 (0150)	7,50%
Ratio of the total capital requirement according to the SREP (SREP Total) without ceiling in Article 104a(6)(a) of Directive 2013/36/EU (0151)	10,00%
Global Capital Requirement Ratio (0160)	12,95%
Global capital requirement: consisting of Common Equity Tier 1 capital (0170)	8,58%
Global capital requirement: consisting of Tier 1 capital (0180)	10,45%
Global Capital Requirement and Pillar II (P2G) Recommendation (0190)	14,45%
Global capital and P2G requirement: consisting of Common Equity Tier 1 capital (0200)	10,08%
Global Capital and P2G Requirement: Integrated by Tier 1 Capital (0210)	11,95%
Surplus (+)/deficit (-) of Common Equity Tier 1 capital in view of the requirements of Article 92 of Regulation (EU) No 575/2013 and Article 104a of Directive 2013/36/EU (0220)	196,53
Fully loaded Common Equity Tier 1 ratio (0330)	13,02%
Fully loaded Tier 1 capital ratio (0340)	13,72%
Fully loaded capital ratio (0350)	17,93%
Common Equity Tier 1 capital ratio without application of the transitional provisions on the total amount of exposure to standard floor risk of risk-weighted assets (Article 465(3), (4), (5) and (7) of Regulation (EU) No 575/2013) (0360)	13,02%
Tier 1 capital ratio without application of the transitional provisions on the total amount of exposure to standard floor risk of risk-weighted assets (Article 465(3), (4), (5) and (7) of Regulation (EU) No 575/2013) (0370)	13,72%
Total capital ratio without application of the transitional provisions on the total amount of exposure to standard floor risk of risk-weighted assets (Article 465(3), (4), (5) and (7) of Regulation (EU) No 575/2013) (0380)	17,93%

Data in millions of euros

SUMMARY OF TOTAL RISK EXPOSURE AMOUNTS

C_02. 00.a - Capital adequacy - Amounts of risk exposures [3202]	GROUP 2025
Total risk exposure (0010)	3.159,59
Amount of exposures weighted by credit risk, counterparty and dilution and incomplete transactions (0040)	3.078,32
Standard Method (0050)	2.990,77
Standardised approach exposure categories, excluding securitisation positions (0060)	2.990,77
Retail exposures (0140)	139,89
Secured by mortgages on real estate and exposures EAU (0150)	1.772,06
Secured by mortgages on residential real estate - non-BIGR (collateralized) (0151)	1745,21
Secured by mortgages on residential real estate - other - non-BIGR (0153)	5,11
Secured by residential real estate mortgages - BIGR (0154)	20,86
Secured by mortgages on commercial real estate - non-BIGR (collateralized) (0156)	0,40
Secured by mortgages on commercial real estate - BIGR (0159)	0,48
Defaulted Exposures (0160)	719,33
Exposures to Institutions and Enterprises with Short-Term Credit Assessment (0190)	122,02
Other (0211)	237,47
Securitization Positions (0470)	87,55
Total Operational Risk Exposure (0590)	81,23

Data in millions of euros

4. Liquidity and funding risk

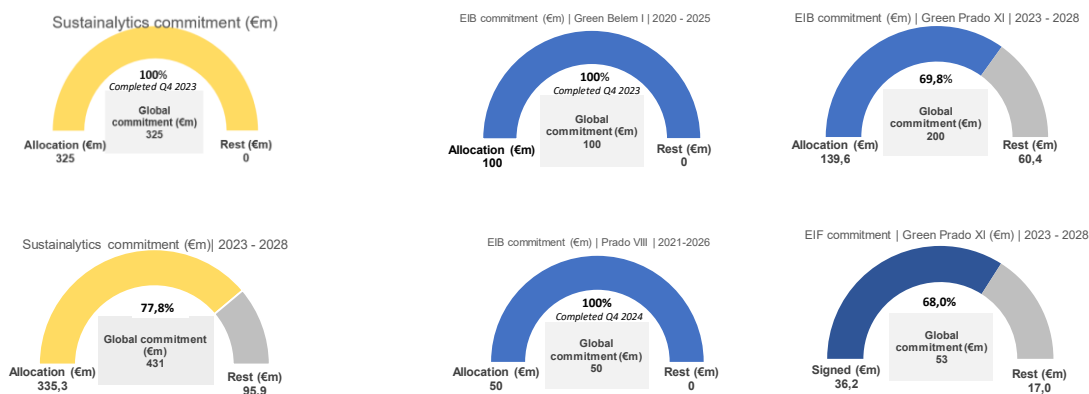
4.1 Annual evolution

At the end of the year, the Liquidity Coverage Ratio (LCR) stood at 111.15% (116.67% in 2024), and the Stable Net Stable Funding Ratio (NSFR) stood at 108.93% (142.56% in 2024), both above the regulatory threshold of 100%.



As for the amount consumed from the financing lines, it stands at 4.43% (2.96% in 2024).

The following charts illustrate progress against the sustainable loan origination commitments agreed with the European Investment Bank, the European Investment Fund, and Sustainalytics.



EIB: European Investment Bank

EIF: European Investment Fund

During 2025, the commitments made until 2025 have been fully fulfilled, exceeding in certain cases the objectives set for 2026. The pending commitments, with a horizon until 2028, show a high degree of compliance.

4.2 Liquidity and funding risk management

Liquidity and funding risk are measured using various tools and metrics that allow the different associated risk factors to be covered. The objective is to ensure the availability of an adequate level of liquid assets and to maintain a financing structure aligned with the legal nature and business model of the entity.

This risk is considered particularly relevant due to the need to develop self-financing strategies. Currently, these strategies are mainly articulated through the issuance of securitization funds, to guarantee the financial autonomy of the entity and facilitate the repayment of the financing lines held with shareholders.

Regarding the regulation that applies to liquidity for CFEs (Circular 1/2022), the most relevant monitoring metrics are:

- **LCR (Liquidity Coverage Ratio):** aims to promote the short-term resilience of the entity's risk profile, guaranteeing the availability of liquid assets to withstand a scenario of considerable stress (idiosyncratic and market) for 30 calendar days. The regulatory requirement is 100%, which will have to be met every day of the year.
- **NSFR (Net Stable Funding Ratio):** requires maintaining a stable funding profile in relation to the composition of its off-balance sheet assets and activities. It is defined as the quotient between the amount of stable financing available and the stable financing required. The regulatory requirement is 100%, which will have to be met every day of the year.

The components that make up liquidity requirements incorporate criteria of adaptation and proportionality, considering the idiosyncrasies and nature of financial credit institutions, their particular financing structure, and the liquidity risk of their activities.

UCI Group is financed mainly through capital markets (securitizations), credit lines with its shareholders, equity, and external repo lines, and its financing plan combines all these instruments.

Regarding the securitization market, the Entity has more than 25 years of experience, and since 2015 it has placed a total of 12 transactions with external investors with its Prado programs, in Spain, and 2 Belem transactions, in Portugal.

Financing lines are available with shareholders (Banco Santander - BNP Paribas), which are reviewed at least once a year and simultaneously with both shareholders, to adapt them to the needs of the business within the entity's liquidity structure and policy. For assets that are not refinanced through securitizations placed on the

market, refinancing is managed through these financing lines, external repos or equity. The Portugal branch is financed directly with its parent company in Spain.

With regard to the terms of the issuances, the UCI Group complies with the standards published by the regulator ESMA in 2017, regarding simplicity, transparency and standardization (STS compliant), and compliance with the Capital Requirements Regulation (CRR). At the structuring level, it also incorporates mechanisms to protect the senior tranche placed with investors, such as the step-up call on the fifth anniversary, turbo-amortization, interest rate risk coverage or limits on the renegotiation of loan terms. All together it contributes to improving the financing capacity in the markets.

The UCI Group has also developed an ESG framework that has allowed it to reach commitment with supranational entities such as the European Investment Bank to obtain financing through the issuance of green bonds linked to the fulfilment of financing criteria.

In addition to securitizations, the Entity has developed an active policy of using collateral in its financing with the delivery in repo of the bonds retained and repurchased from its own issues, for which it maintains contact with entities external to its shareholders. The Entity has received and maintains its own rating with the rating agencies Fitch Ratings and DBRS Morningstar.

Within the framework of the autonomy strategy, both securitizations and the promotion of external financing through external repos contribute to diversifying sources of financing by reducing the weight of shareholder credit lines.

The margin generated by the activity is used on a recurring basis to first finance its new commercial activity and then to use any excess liquidity to reduce the exposure of the credit lines to its shareholders and ensuring balanced compliance with its prudential obligations maintains a policy of not distributing dividends.

4.3 Liquidity and funding risk information

The liquidity information at the end of the year is presented below.

LC_05.00 - Liquidity Buffer - Calculation	GROUP 2025
CALCULATIONS (0008)	
Liquidity Buffer (0010)	351,41
Liquidity Buffer Requirement (0021)	316,15
Applicable Adaptation Factor (0022)	1,00
Liquidity coverage ratio (%) (0030)	111,15%
Numerator Calculations (0039)	
Cash and other cash equivalents (tier 1): unadjusted (0040)	315,07
Deposits with credit institutions eligible as Tier 1 liquid assets (0041)	36,33
"Adjusted amount" of Tier 1 assets, excluding extremely high quality covered bonds (0091)	351,41
Liquidity Buffer (0290)	351,41
Denominator Calculations (0299)	-
Total departures (0300)	330,94
Inflows from activities subject to a minimum liquidity buffer of 5% of gross outflows (0321)	-
Inputs from activities subject to a minimum liquidity buffer of 10 % of gross outputs (0331)	14,79
For consolidated states:	-
Reduction applicable to activities subject to a minimum liquidity buffer of 5 % of gross outflows (0351)	-
Reduction applicable to activities subject to a minimum liquidity buffer of 10 % of gross outputs (0361)	14,79
Net Liquidity Outflow (for Consolidated Statements) (0371)	316,15
Minimum Group Mattress Requirement (0372)	33,09

Data in millions of euros

LC_08. 00.a: Structure of funding sources	GROUP 2025			
	Imported (0010)	Stable Funding Required (0020)	Stable Funding Available (0030)	Coefficient (0040)
STABLE FUNDING REQUIRED (0010)	8.928	6461		
Stable Funding Required from Central Bank Assets (0020)	223			
Stable Loan Financing Required (0050)	7.708	5.564		
Stable Funding Required from Other Assets (0100)	891	891		
Stable Funding Required for Off-Balance Sheet Items (0110)	106	5		
STABLE FUNDING AVAILABLE (0120)	8.791		7.038	
Stable financing available for capital items and instruments (0130)	566		566	
Stable funding available from other non-financial customers (except central banks) (0150)	1.328		1.295	
Stable funding available and committed lines within a group, if preferential treatment applies (0170)	6.896		5.176	
NSFR (0220)				108,93%

Data in millions of euros

[Further information on the disclosure of liquidity requirements is provided in](#) Annex II.

PROCEDURES APPLIED FOR THE ASSESSMENT OF LIQUIDITY ADEQUACY

UCI Group adapts the procedure to the "Guide to the Self-Assessment Process of Capital and Liquidity of Credit Institutions" published by the Bank of Spain, and which constitutes the basis for the preparation of the "Capital and Liquidity Self-Assessment Report" (hereinafter, IACL) which is sent annually to the supervisory authority.

5. Credit risk and concentration

5.1 Annual evolution

In the 2025 financial year, €552.3 million (€446.8 million in 2024) was granted, with satisfactory metrics in terms of loan origination: Loan to Value of 55.2% (57.5% in 2024), personal contribution rate of 37.3% (37.2% in 2024), debt to income rate of 29.3% (28.8% in 2024) and cost of risk of 0.09% (0.12% in 2024).

UCI Group concentrates its activity on traditional mortgage financing and complements this Core Business with new strategic lines aimed at:

- 35% of production corresponded to the financing of energy efficiency or Green production (green mortgages).
- €18.3M of ICO Youth/Family Guarantee production.
- €118.8M production of credit to homeowners' associations for building renovations.

Under no circumstances will UCI take on businesses outside its area of expertise or with a risk profile higher than that defined, avoiding, for example, exposure to developer credit or projects with high volatility, focusing growth on first-time home financing and guaranteed loans of high credit quality.

During the 2025 financial year, non-performing loans portfolio sales were carried out:

- In September, the sale of the non-performing portfolio — Trinidad project (1,430 files) — was completed for €148M, contributing to an improvement in the NPL ratio of more than 160 bps.
- In December, the sale of the Greek portfolio — Galene & Kyma project — was completed, resulting in a €135M decrease in the outstanding balance, of which €30M was classified as Stage 3, contributing to an improvement in the NPL ratio of 20 bps.

The execution of the non-performing asset reduction plan has generated a very significant decrease in both the non-performing loan (NPL) and non-performing asset (NPA) ratios, which at the end of December 2025 stood at 8.87% and 10.24%, respectively, compared to the 12.43% and 13.93% recorded in 2024.

Due to the business model, the high quality of the collateral stands out, mainly concentrated in exposures backed by residential real estate intended for primary residence. At the end of the year, 97.2% of the value of the portfolio was covered by mortgage guarantees.

The provisions constituted on the portfolio of non-performing loans (NPLs) at the end of the year determine a coverage ratio of 16.27%, (19.33% in 2024).

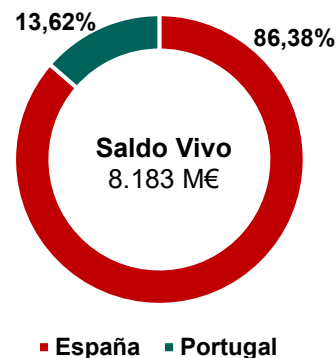
Regarding the concentration of credit risk, UCI Group continuously monitors the degree of concentration under different relevant dimensions: sectoral, individual, geographical, customer, product and channel.

About sectoral concentration, the direct risk of the entity is grouped without considering the risk to individuals (except that derived from the performance of business activities), in the twelve groupings of economic activity that are included in the CNAE 2009 sections and codes. Regarding individual concentration, the total direct risk of the entity is determined (with the same criteria as in the calculation of the sectoral concentration index) with the 1,000 borrowers with respect to those with the highest direct exposure, whatever their personality or legal form. When several borrowers are linked, because they constitute an economic group or decision-making unit, they are grouped together and considered as a single risk.

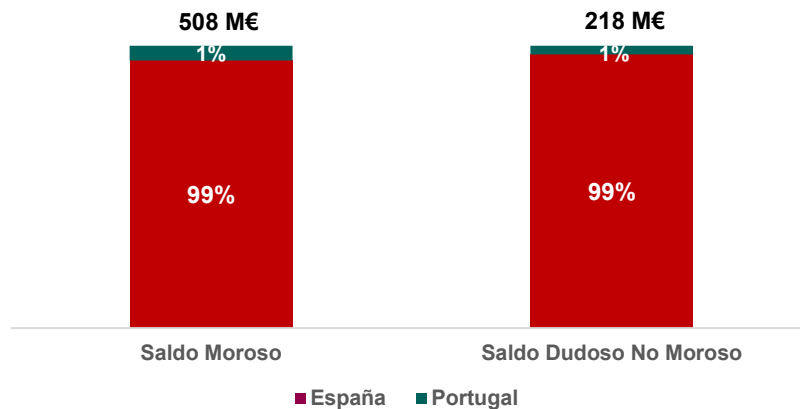
The levels of concentration, both sectoral and individual, remain within the established regulatory limits, with an ICI of 0.0004% (0.0003% in 2024) and an ICS of 1.3% (2.1% in 2024).

UCI Group is subject to the Large Exposures Regulation, which states that exposure to a client or a group of related clients is considered "large exposure" when it reaches or exceeds 10% of its Tier 1 capital. In addition, to limit large exposures, an exposure whose value exceeds 25% of its Tier 1 capital may not be assumed to a client or group of related clients, after considering the effect of mitigating the credit risk contained in the standard. At the end of December, after applying risk mitigation techniques, UCI Group did not reach the thresholds.

In geographical terms, credit risk is diversified in the main markets where they are present (Spain, Portugal and Brazil). In Spain and Portugal, the activity is focused on real estate financing loans.



The concentration of the non-performing balance by geographical area is detailed below:



The geographical distribution of the portfolio and the granting of new loans show an adequate degree of diversification at the national level, with greater exposure in the main urban centers. However, the risk of concentration is assessed as low, as activity is concentrated in consolidated and widely known markets, such as Madrid, Barcelona and the Mediterranean coast (Malaga and Alicante).

Credit concentration risk does not present relevant concentrations of risk by geography, product, type of customer or marketing channel. We continue to avoid any type of significant sectoral or individual concentration without incurring deviations from regulatory ratios.

5.2 Credit risk management and concentration

Credit risk is defined as the risk of financial loss resulting from the default or deterioration of the credit quality of a customer or counterparty. It is the most relevant risk, both in terms of exposure and capital consumption, and includes credit risk in loan origination, in the balance sheet, analysis of guarantees and hedges.

UCI's Board of Directors, Senior Management and Risk Management participate in the credit risk management process, with the aim of designing, reviewing and improving credit risk policies and procedures in line with the entity's risk appetite.

In addition, the Delegated Authority Policy sets out the responsibilities and delegated powers of the different bodies and people responsible for granting, formalizing, monitoring, assessing and controlling loans and all activities related to their management that require decision-making with an economic or legal impact.

LOAN ORIGINATION

Information and Documentation

UCI has established the "Basic Acceptance Policy" to minimize the risks involved in granting mortgage loans for both the entity and its customers, making a better assessment of their solvency.

The following principles have been established to promote responsible loan origination, on the one hand, by actively making available to borrowers the necessary information and the precise objective advice according to their possibilities and needs, and, on the other hand, by establishing appropriate policies and procedures to analyse and decide objectively and appropriately on the financing proposals that are raised.

- **Ability of the borrower** to comply in a timely manner with the financial obligations assumed, considering only the borrower's recurring income without depending on guarantors, guarantors or assets offered as collateral, which must always be considered as an exceptional means of recovery when the first one has failed.

- **Personal contribution** as a demonstration of the client's commitment to the successful completion of the financing requested.
- **Appraisal of collateral** as a basic element of the transaction. UCI maintains a strict approach in the need for accurate appraisal, establishing this as a basis for determining a prudent relationship between the amount of the loan requested and the value of the guarantee, ignoring possible revaluations of the latter.
- **Documentation for the assessment:** UCI's risk policy details the documentation necessary for the study of the loan and the requirements that must be met by the analysis of the loans to be carried out before approval and during its validity. As part of this analysis, the veracity of the documentation provided is checked to analyze the solvency and payment capacity of customers and guarantors.
- **Information:** UCI will be extremely diligent in the explanations it provides to the client so that they can understand the characteristics of the product and are able to make an informed decision and evaluate, in accordance with their knowledge and experience, the suitability of the product offered to their interests.

In order to be able to assess the solvency and risk profile of the borrower, UCI will have sufficient, accurate and updated information and data prior to the formalization of the loan agreement, for which it will proceed as follows:

- By gathering from the client, the appropriate information about their needs and financial situation.
- Obtaining the application signed by all the parties involved, which is the tool through which the customer informs us of their personal and professional data, and about the transaction they want to carry out.
- Obtaining all the updated documentation on the file for all the participants, borrowers and possible guarantors, which will be made available to the decision-making body.
- By making the necessary queries to third-party files with the prior consent of the client.
- Having the possibility of conducting a customer survey to verify and clarify all the data of the transaction.

The legal documentation, which corresponds to each case, will be provided to the client with the necessary advance notice for a perfect evaluation on their part. To this end, the necessary procedures and controls are established with the corresponding computer support in the applications.

It is essential to keep a memory of the activity that led to the granting of a loan to a specific customer, as well as the acts and documents that occurred because of the granting of the loan. Its main purpose is to consult our internal activity and to justify the granting of the loan to the competent authorities.

Assessment of the borrower's creditworthiness

The assessment of the creditworthiness of the borrower is a fundamental process in the granting of financing transactions. Its main objective is to determine the applicant's real capacity to assume the obligations arising from the credit, guaranteeing the viability of the transactions and reducing the risk of default.

This analysis is based on the review of income, financial burdens, credit history and other factors that influence the ability to pay, complemented by consultations with external sources and official databases. In this way, responsible management is ensured and aligned with the principles of financial prudence and current regulations.

Both the solvency and the ability to pay the applicants will be estimated under the assumption of the use of the borrower's usual sources of income, without depending on guarantors, guarantors or assets offered as collateral, which will always be considered as a second and exceptional means of recovery for when the first has failed. Therefore, UCI will have reliable and up-to-date information on the usual sources of income of all those involved in the transaction for its study, at least at the time of granting or renewing the transaction or in the event of modification of any of its essential conditions.

In view of the long-term nature of mortgage transactions, only income that proves to be stable and regular

throughout the term of the loan will be counted, expressly excluding receipts of a temporary or extraordinary nature.

In the case of borrowers who are self-employed and who receive irregular income, additional prudential factors are established.

Likewise, the determination of the borrower's solvency requires an exhaustive analysis of its borrowing capacity, considering the periodic burdens that affect its disposable income and, therefore, its solvency. These charges include not only financial obligations arising from loans but also other recurring commitments such as rent, alimony or compensatory payments and other significant fixed expenses.

A sensitivity analysis is carried out in the creditworthiness assessment of a transaction to reflect possible future negative events, including a reduction in income or an increase in interest rates, in the case of variable-rate loan contracts.

In the study of the transaction, UCI will consider the foreseeable level of income to be received after retirement, if it is expected that a substantial part of the credit or loan will continue to be repaid once the working life has ended. For this reason, the possible retirement pension that the customer may have must be calculated based on the customer's current data, in those cases where the customer is in retirement for a significant period of the life of the loan.

In cases where the borrower receives income in a currency other than the euro, the existence of an additional credit risk arising from the possible unfavorable fluctuation of the exchange rate, which could affect its ability to repay, will be considered. To mitigate this risk, a reduction will be applied to the total income received in currencies other than the euro at the time of the evaluation of the transaction.

In addition, fraud prevention is an essential element in the analysis of transaction, so there are a series of alerts implemented in internal applications, as well as procedures and practices aimed at verifying the authenticity and veracity of the data provided by the applicants, ensuring transparency and integrity of the process.

In the case of loan agreements relating to immovable property that expressly stipulate that the property in question will not be used as a dwelling by the borrower or a family member (i.e. buy-to-let contracts), the relationship between the theoretical rental income of the property and the borrower's ability to meet its obligations is assessed.

Credit Decision and Loan Agreement

UCI is extremely diligent in the explanations it provides to the client so that they can understand the characteristics of the product and are able to make an informed decision and evaluate, according to their knowledge and experience, the suitability of the product offered to their interests.

UCI employees act honestly, impartially and professionally, considering the personal and financial situation and the preferences and objectives of their customers, and must highlight any condition or characteristic of the products that does not respond to this objective.

The legal documentation, which corresponds in each case, will be provided to the client with the necessary advance notice for a perfect evaluation on their part. To this end, the necessary procedures and controls are established with the corresponding computer support in the applications.

UCI has established a clear and well-documented credit decision-making framework that establishes a clear and robust structure for credit decision-making responsibilities, including a description of the hierarchy of credit decision-makers and their assignment at the delegated level of authority.

The structure of credit decision-makers is in line with and embedded in credit risk appetite, policies and limits and reflects UCI's business model. The credit decision-making framework clearly articulates the powers and limitations of each decision-maker to make credit decisions. These powers and limitations are designed with the specificities of the credit products and borrowers in mind, including the type of product, the size of the line of credit, and the risk profile of the borrower.

The decision of the transaction is reflected in a decision record where all the conditions and prerequisites necessary to formalize the transaction are collected.

The credit agreement is not formalized unless it has been verified that all the conditions and requirements set out in the credit decision have been met. The disbursement of the loan is made after the formalization of the credit agreement.

Finally, UCI integrates into its loan origination policy environmentally sustainable financing established in the Guidelines on granting and monitoring loans (EBA/GL/2020/06), so that loans granted on objects or renovations with environmental energy efficiency enjoy more favourable financial conditions, thus reinforcing the entity's commitment to responsible and sustainable financing.

MODIFICATION OF THE CONDITIONS

The "Change of Conditions Policy" aims to regulate the contractual modifications of transaction, responding to customers who request a change of conditions in their loans already signed with the Entity or at the initiative of UCI aimed at loyalty and, on the other hand, to define and establish the management processes applicable to renegotiation transaction in line with the provisions of BoS Circular 04/2017.

On the other hand, UCI has established a "Basic Retention Policy" for customers in an after-sales situation, whose objective is to reduce the risks associated with the granting or modification of mortgage loans, through a more rigorous assessment of solvency, and to reduce the risk of cancellation. This policy defines the risk criteria applicable to the transactions of customers in the portfolio, aimed at encouraging their permanence in the entity.

Likewise, UCI has established a "Restructuring Acceptance" Policy to adjust the payment amount, temporarily, to those customers who have financial difficulties, to assume their payment obligations. To this end, the study of each situation will be individualized and documented by the client, analyzing the origin of these difficulties and their temporality. Temporary payment difficulties are differentiated from those of a definitive nature, establishing different alternatives for each case.

A Temporary Restructuring is a private temporary contract (temporary agreement) between UCI and the client, which temporarily modifies the conditions of the loan based on the individualized analysis of the borrowers' ability to pay, taking into account their recurring income, verifiable and sufficient to service their debts, residual loan term and number of years restructured, among others. It will be applied for a certain period, generally 24 months, and the client can cancel it at any time and at no cost to resume the financial conditions referred to in the deed.

For those cases where payment difficulties are not temporary or situations where it is not possible or convenient to apply a temporary restructuring, we will analyze the possible redirection towards a long-term payment solution or definitive solution. If this is not possible or not accepted by the client, we will continue with the chain of debt claims provided for in the Recoveries Area until the maturity of the loan (initiation of legal proceedings) when there is no other alternative.

The following solutions are offered based on the circumstances of the customer and the loan:

- Long-term solutions: Novation and Remortgage
- Ultimate Solutions: Sales Mandate
- Enforcement Procedure: Judicial or Notarial
- Out-of-Court Settlements: Dation in Payment

The policies are based on the assessment of the ability of borrowers to meet the financial obligations resulting from the Restructuring in a timely manner.

The customer's manager will monitor compliance with the restructuring until a normal payment situation is reached, detecting any irregularity in the payment commitments acquired. When the restructuring is close to

completion, an information letter is generated, informing the client of the establishment of the contractual conditions agreed upon in their loan deed.

Restructuring transactions are subject to strict control and monitoring by the Recovery Department, which, based on the results and effectiveness of the measures adopted, will take the appropriate measures.

ASSESSMENT, MONITORING AND CONTROL OF CREDIT RISK

General principles for the assessment, monitoring and control of credit risk

As part of the assessment, monitoring and control of credit risk, a detailed review of the surveillance, the reviews of credit and concentration risks is carried out in the executive and risk committees, as well as the KRIs of the Risk Management and the EWIs established between this area and the Approval Management according to the Risk Appetite with annual evaluation.

The UCI Group establishes comprehensive risk management where the definition and control of risk appetite is a key element. In this context, the company defines and implements its Risk Appetite Framework (RAF), which seeks a general approach that includes the policies, processes, controls and systems by which risk appetite is established, communicated and monitored. It includes the statement of risk appetite, risk limits and tolerances and an outline of the roles and responsibilities of the persons in charge of the supervision, implementation and monitoring of the RAF.

The RAF thus considers the significant risks faced by the entity, in addition to aligning itself with the entity's strategy. An essential part of the RAF is the Risk Appetite Statement (RAS), which establishes the articulation, in written form, of the aggregate level of the types of risk that a financial institution is willing to avoid, reduce, share or accept to achieve its strategic objectives. It includes qualitative statements, as well as quantitative measures through early warnings, limits and tolerances for each of the KRI's and individual risks that make up the different risk families.

Likewise, the Credit Risk department is responsible for:

- Ensure Risk Appetite by supporting the growth of the credit portfolio, ensuring its quality and profitability in full compliance with the agreed Risk Appetite Statements (RAS).
- Support the sustainable growth of the Business through continuous improvement in risk methodologies, both for new and existing product lines.
- Establish Policies and Procedures that develop a set of credit alignments and monitor the business, both under solid standards and with sufficient granularity to manage the portfolio proactively and timely and in full compliance with internal and regulatory standards. requirements.

In addition, among others, it will also be responsible for:

- Second-level controls: Define and manage controls on activities in the areas of the scope in order to check if the results obtained are correct.
- Provide training
- Continuous improvement: Define and manage projects related to the improvement and control of portfolio and firm credit risk and maintain the computer applications for which they are responsible, so that their transaction is correct and to give each user of the application the corresponding attributions.
- Development and maintenance of risk policies: Analysis of new products for the risk study and evaluate their viability, incorporate new policies and keep existing ones updated.

Within the scope of concentration risk, the risk function at origin falls to the Risk Directorate, having the following segmentations assigned:

- a) Concentration risk: Geographic Segmentation New Production, segmentation Customer Typology New Production, Product segmentation New Production and Channel Segmentation New Production

- b) Credit risk Segmentation by risk parameters (average LTV, personal contribution, debt to income rate, score tranche and any other that is considered), segmentation by destination (Type of financing and use); Segmentation by Decision Score and the decision parameters will be taken into account in terms of match between the decision of Score and Decision Analyst.

General principles for estimating credit risk loss coverage

The Institution is guided, about the management of its credit risk, by the principles contained in Annex IX of Circular 4/2017 of the Bank of Spain, which establishes the criteria for the classification, coverage and monitoring of credit risk. In particular, the Entity applies prudent granting policies, continuous monitoring of exposures, and early recognition of impairment, as well as appropriate methodologies for estimating expected losses, in line with current accounting regulations.

The procedures and methodologies used are validated by the Board of Directors, and the results are periodically presented to said body, or when they undergo modifications.

These procedures and methodologies are incorporated by the institution into the IACL exercise, which includes stress tests in terms of capital and liquidity, and which are submitted annually to the Independent Audit and Risk Committee or the Board of Directors for validation and approval, prior to being sent to the Bank of Spain.

The results of the internal provisioning model are shared with shareholders on an annual basis, and the methodologies established for estimating coverage are reviewed. Likewise, an annual recalibration of the same has been established in the middle of each year. Finally, the entity continuously monitors the results of this with respect to the alternative solution.

The methodology used in the model is detailed in the procedure called "Loan provisioning model according to IFRS9 regulations (Circular 4/2017 BoS), which explains the calculation of loan provisions, as well as their accounting.

GUARANTEES AND APPRAISALS

Definition and types of effective guarantees

UCI establishes in the "Transactions Concession Policy" that the value of the properties taken as collateral in its credit transactions is correctly quantified, and that the process to obtain such valuation is consistent with adequate and prudent risk management, as well as with the Group's other principles and regulatory requirements.

In order to achieve minimum quality guarantee, the goods are classified as established in the "Basic Policy of Non-Acceptance", establishing three groups of guarantees according to their criticality (high, medium, low).

Depending on the risk of the transaction, a reinforcement may be requested through guarantees or double guarantee of the transaction, as established in the procedure of "Guarantees and double guarantee".

The acquisition of land is not possible unless the applicant's main residence is taken as collateral. If the land does not intervene as a guarantee of the transaction, the classification of the land does not influence the acceptance of the transaction.

UCI has databases with detailed information on real estate assets, obtained either through the appraisers, or by their own means, which must contain minimum data regarding their valuation, last complete appraisal and according to automatic models, incorporating dates, methods, conditions, data of the visit, warnings, etc., as well as specific data, in the case of buildings under construction, that indicate the different indicators of progress that are necessary for their control. The details of this information are developed in the "Appraisal Management" procedures.

UCI controls and supervises the quality of the valuations and has procedures for verifying and contrasting the quality of the appraisals carried out in order to prevent factors outside the technical field from influencing their result.

VALUATION OF SECURITY RIGHTS

General security rights valuation policies and procedures

UCI has written procedures, approved by the Board of Directors, on the valuation of collateral.

On an annual basis, for transactions classified as normal risk, UCI verifies the existence of significant drops in their reference valuations. The verification of the existence of significant falls is carried out by using the "official average appraised value index of free housing" of the Ministry of Transport, Mobility and Urban Agenda.

In application of the principle of prudence, UCI establishes a conservative criterion in the review of the appraisal data, in relation to the quantitative elements for each type of collateral, established based on the experience of the entity and taking into account the trend of market prices, or the opinion of independent valuers.

In order to ensure the effectiveness and sufficiency of the guarantees on real estate that are constituted as coverage for credit risk transactions (mortgages or other legal figures), it is necessary that the appraisal, its origin and subsequent management, meet a series of conditions that must be taken into account to ensure its validity:

- When real estate valuation work is required, it must be carried out by appraisal companies or appraisers, approved by the Bank of Spain, complying with the regulatory requirements established on real estate valuation standards for the purposes of the mortgage market.
- The appraisers will always be external and independent.
- Appraisers must be approved internally through the "Appraiser Selection Procedure", which includes the minimum requirements that appraisers must meet to achieve such approval, as well as the selection and control mechanism itself, in addition to the management of the appraisals carried out.

For the customer, when the appraisal is offered as a service, appropriate transparency criteria are established, as well as the requirements that the appraisal order must meet. Regardless of whether the appraisal is required directly by UCI, whether it is a service offered to the client, or whether it is the client who provides the appraisal work already carried out, both the appraisal company and the appraisal itself must comply with the internally established requirements.

To safeguard the independence and objectivity of their activity, care must be taken that the Appraisers carry out said activity diligently and based on exclusively technical criteria, rejecting any interference both in relation to the performance of their activity and the result of it.

In addition, for the selection of appraisal companies, care must be taken to ensure that there is no significant participation in the capital of said company by the Entity (UCI currently does not hold any type of participation in the appraisal companies with which it works), as well as by natural or legal persons related to marketing, ownership, exploitation or financing of assets valued by the company.

The precautions and precautions mentioned in these paragraphs that ensure the independence and objectivity of the appraisal companies will form part of the control and monitoring functions of the Appraisal Department.

In the area of internal control, in those cases in which significant falls are observed in the reference valuation of the assets received as collateral, the Entity must update said valuation, to reflect such losses without the need for the updating period to elapse. The procedures for updating valuations are more rigorous in those transactions where the amount of the remaining risk may exceed the value of the guarantee, after its loss of value.

Specifically, the following procedure is followed: for all reference valuations, a comparison is made between the last reference valuation and the update of said valuation obtained by the official index of the Ministry of Housing. If there is a divergence of more than 20% between the two amounts, downwards, it is evident that there is a need to update the valuation through independent approved appraisal companies or services. If the divergence is greater than 20% between both amounts, upwards, UCI takes this circumstance into account in order to update the valuation through independent approved appraisal companies or services.

Minimum valuation procedures and frequencies for real estate collateral

In accordance with the accounting classification, there is a periodic update of the value of the guarantees of the loans in UCI's portfolio, carrying out the type of appraisal that corresponds in each case.

Following Final Provision 2, pt. 3.f of Circular 5/2020 BoS, of 25 November, there must be a rotation of appraisers, every two consecutive appraisals with the same appraiser, regardless of the type of appraisal.

General valuation procedures for real estate guarantees

There are three basic types of valuation:

- i. 'Appraisal' or 'reappraisal': based on the different professional methods such as the cost method, the comparison method, the rent update method or the residual method, as well as any other method, of a similar nature and of individual application.
- ii. 'Statistical update': update of a previous valuation and that is based on statistical methods that are not shown, but supported by contrast tests defined by BoS regulations, that is, carried out through automatic and massive procedures, which determine the value of the properties by extrapolating from that of others, which share similar characteristics and which appear in the appraisal companies' databases.

In both cases, both appraisals or reappraisals and statistical updates must be carried out by approved appraisers.

- iii. 'Initial update': this is the name given to the update of an available appraisal (ECO or statistical) weighted by an index of the evolution of the price of housing and published by an official body (currently the evolution of the price of housing published by the corresponding Ministry) or professional.

The Appraisal Department, in collaboration with the appraisal companies, in exceptional cases such as fires, earthquakes, etc., must study the local casuistry and determine what is susceptible to statistical updating and what is not, depending on the characteristics of the properties and the available data.

In those situations, in which the discounted value of an asset or group of assets cannot be determined, due to the lack of a sufficiently deep market to allow the transparent formation of prices, the rules established by the national authorities for the updating of valuations are used, covering such a situation. Once the markets have returned to normal and the situation has been restored, these exceptional rules or criteria are no longer applied.

In the case of properties under construction or renovation, the amounts of the appraised certifications of the works carried out and paid for are incorporated into the initial valuation. Once the works are completed, a new appraisal is carried out corresponding to the finished property. The state of construction of a property will not interfere with its classification as a residential or non-residential property, and the ultimate purpose of the property must be used as a criterion.

The Appraisal Department is responsible for investigating and reviewing the warnings and conditions highlighted by the appraiser in the Appraisal Reports.

In the case of novation of clients, before a notary or in a private contract, which require updating of the value of the property(s) of the transaction, references of average market unit values by postal code, from appraisers, can be used.

Real estate guarantees for transactions classified as normal risk or normal risk under special surveillance

UCI determines, based on the appraisals received, the reference value of the collateral and subsequently, this value is updated in compliance with the minimum frequencies and procedures established by the entity, which must comply with the following criteria:

- Appraisal reports for granting risks with mortgage guarantee of real estate must be carried out with an interior visit. The warnings and conditions highlighted by the appraiser in the Appraisal Reports are evaluated by the entity to establish possible discounts in the reference value of the guarantees, when the

appraiser has not taken them into account.

- The verification of the existence of indications of significant falls in the valuations of real estate guarantees must be adequately documented, and can be carried out by the entity itself, taking into account the relevant factors, such as the evolution of the published indices of mortgage market prices or the opinion of an independent valuer.

Transactions classified as normal risk under special surveillance

The verification of the existence of indications of significant falls in the reference valuations of the guarantees and the updating of these valuations must be carried out in accordance with the provisions for transactions classified as normal risk.

The update of the reference value must be carried out with a minimum annual frequency depending on the parameters and the volume of the portfolio defined in the "Appraisal Policy".

Transactions classified as non-performing risk

The reference valuation of the collateral must be updated at the time of classifying the transaction as a non-performing risk and while maintaining this classification, with a minimum annual frequency.

When two consecutive valuations are carried out by means of a complete individual appraisal carried out by the same company, service or appraisal professional in charge of carrying out such an update, the appraisal valuation company, service or professional must be changed.

CLASSIFICATION OF TRANSACTIONS ACCORDING TO CREDIT RISK DUE TO INSOLVENCY

UCI's main asset is made up of loans from customers, who take out debt to buy a home. Through the mortgage loan, UCI takes the home as collateral until the client repays the entire debt under the established conditions, which are detailed in the deed signed at the time of granting the loan.

The loans are granted under the precept that the debt will be paid in accordance with the conditions established in the deed, which is why at the beginning of the life of the loan the debt enters the "healthy portfolio" and remains there while the customer fulfills the contractual obligations. Debt classification is necessary to carry out adequate credit risk management (collection) and allows the portfolio to be evaluated, rated and controlled.

However, depending on the customer's payment behavior, the categorization of the debt may vary, that is, as the customer accumulates defaults, the debt worsens its classification. In the same way, debt can improve your rating if the customer returns to good payment behavior.

The criteria on the accounting classification and the level of provisioning required for each of the classifications defined below are set out in the procedures "Classification of debt and suspended products according to Circular 4/2019" and "Loan provisioning model according to IFRS9 regulations (Circular 4/2017 BoS)", which is responsible for the General Audit area.

Normal risk

These are those loans in which the recovery of the debt contracted by the customer is considered highly probable, and may have from 0 to 90 days in default (both inclusive). Two classifications are distinguished:

- Normal (N – Stage 1): Includes loans that do not meet the requirements defined to classify them in other categories, being a necessary condition not to have any accumulated default.
- Special surveillance (EV – Stage 2): These are loans that have weaknesses that may mean assuming losses greater than those of other similar transactions classified as normal risk. Loans that are classified as healthy and accumulate 1 or 2 defaults are classified in this category.

In addition, loans that have undergone at least one restructuring or are refinancing and are still in the

cure period remain in this typology.

Doubtful risk

These are loans in which the recovery of all amounts owed is considered unlikely. Within this group, two classifications are differentiated:

- **Doubtful Subjective (DS – Stage 3):** These are loans that have not been in default for more than 60 days but that, for reasons other than the customer's delinquency, present reasonable doubts about the total repayment of the debt under the contractually agreed conditions.
- **Doubtful Defaulter (DM – Stage 3):** These are transactions that accumulate more than 90 days in non-payments.

Loans that have undergone at least one restructuring or refinancing are likely to be categorized in this classification, provided that certain circumstances apply. Regarding restructuring policies, the profile of the customer eligible for them, as well as their characteristics, are all aspects that are developed in the "Restructuring" procedure.

Risk of failed treatment

The procedure for "Accounting treatment of the write-off" includes the process by which an unsecured loan is derecognized from the balance sheet to form part of the UCI's non-performing balance because it is considered irrecoverable, it is called "write-off".

The process of failing consists of the following actions:

- Select the loans that can be considered non-performing loans in the month.
- Decision on the transfer to non-performing loans, including the evaluation of its economic impact and the approval of the corresponding files for each month
- To fail, the head of the Judicial Department individually executes the chance to fail in the corresponding application.

The characteristics that loans must meet to propose a "failed" loan that has no guarantee are:

- There is a judicial procedure on the loan, which is not progressing and there is no evidence that the debt will be recovered.
- Files that are not immersed in a judicial procedure despite accumulating many defaults, but were associated with a mortgage loan that was closed after a judicial procedure.
- Unsecured loans not associated with any mortgage or included in a judicial procedure in which the number of defaults is high. Debt acknowledgments are included.

COVERAGE OF CREDIT RISK LOSS DUE TO INSOLVENCY

The main purpose of the loan provision is to have the necessary resources to be able to deal with possible expected losses on assets and to anticipate their impact on the income statement when they occur.

BoS Circular 4/2017 allows banks to have an internal model for estimating asset coverage. With BoS Circular 4/2019, financial credit institutions are under the protection of Circular 4/2017, so as of 1 January 2020 UCI is obliged to formulate its own financial statements under IFRS9 regulations.

The provisioning model is based on estimating the Expected Loss (EP) that may occur in the future on the loan if it reaches the end of its impairment cycle. The model tries to value the loans and provision for the possible loss that may be incurred if the loan is considered doubtful, there is an award or dation in payment of the mortgage guarantee to cancel the customer's debt and, finally, UCI proceeds to sell the foreclosed real estate assets.

In accordance with current solvency regulations, credit risk is covered by the existence and control of own funds capable of absorbing the risks assumed, as well as by the constitution of provisions to cover insolvencies. These coverages are classified into specific coverages for non-performing loans and non-performing loans, which are loans in which the recovery of all amounts owed is considered unlikely. On the other hand, normal risk coverage is also given, these, in turn, are classified as normal risk coverage and special surveillance. The latter corresponds to the coverage of transactions that have weaknesses in their solvency, but that does not raise doubts about their full repayment.

REAL ESTATE ASSETS FORECLOSED OR RECEIVED IN PAYMENT OF DEBTS

UCI classifies the loans in the portfolio according to the risk they entail and, in accordance with the principle of prudence, reflects the potential loss in accounting terms through the provision of suspended products and provisions.

In those customers who experience difficulties in meeting their payment obligations within the contractual deadlines, once all avenues of amicable collection have been exhausted and after it has been verified that the customer does not face temporary payment difficulties, situations may arise such as the initiation of legal proceedings that end up leading to an award order or a dation in payment procedure, through which UCI acquires ownership of the mortgaged property. In the situations described above, such collateral would be considered as an available-for-sale asset, to the extent that the entity's intention is to sell it in the shortest possible time.

At the time of possession of the guarantee, UCI must face a series of expenses associated with it, so that from that moment on all the costs of administration and maintenance of the properties, as well as those of marketing and sale, are borne by the Entity. With a view to the possible sale of foreclosed assets in payment of debts, UCI considers the associated selling costs.

The assets foreclosed in payment of debts are managed by the Property Administration department, which will oversee coordinating aspects such as taking possession, adapting the real estate for its commercialization, as well as the physical maintenance and payments associated with them (reforms, community payments, IBI, etc.). Fees, etc.), as set out in internal procedures.

Likewise, the Property Administration department is responsible for managing the leases of real estate, the type of lease and its specific characteristics being defined in the Property Management Procedure.

As for the value of the accounting registration of the property, for which the assets foreclosed or received in payment of debts must be recognized, it must be the lower amount between the book value of the financial assets applied and the updated appraisal value of the asset received considering the estimated costs of sale.

5.3 Credit Risk and Concentration Information

EXPOSURE TO CREDIT RISK

C_02. 00.a - Capital adequacy - Amounts of risk exposures [3202]	GROUP 2025
Total risk exposure (0010)	3.159,59
Amount of exposures weighted by credit risk, counterparty and dilution and incomplete transactions (0040)	3.078,32
Standard Method (0050)	2.990,77
Standardised approach exposure categories, excluding securitisation positions (0060)	2.990,77
Retail exposures (0140)	139,89
Secured by mortgages on real estate and exposures EAU (0150)	1.772,06
Secured by mortgages on residential real estate - non-BIGR (collateralized) (0151)	1745,21
Secured by mortgages on residential real estate - other - non-BIGR (0153)	5,11
Secured by residential real estate mortgages - BIGR (0154)	20,86
Secured by mortgages on commercial real estate - non-BIGR (collateralized) (0156)	0,40
Secured by mortgages on commercial real estate - BIGR (0159)	0,48
Defaulted Exposures (0160)	719,33
Exposures to Institutions and Enterprises with Short-Term Credit Assessment (0190)	122,02
Other (0211)	237,47
Securitization Positions (0470)	87,55
Total Operational Risk Exposure (0590)	81,23

Data in millions of euros

INFORMATION ON NON-DOUBTFUL AND DOUBTFUL EXPOSURES

FI_18-0.a - Information on non-doubtful and doubtful exposures GROUP 2025

	TOTAL	Not Doubtful (0020)					
			Unexpired or expired <= 30 days (0030)	Expired > 30 days ≤ 90 days (0055)	Of which: instruments without a significant increase in credit risk since initial recognition (phase 1) (0056)	Of which: instruments with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2) (0057)	Of which: financial assets acquired or originated with credit impairment (0058)
DEBT INSTRUMENTS AT AMORTIZED COST (0180)	8.867,74	8.110,01	8.105,38	4,63	7.503,24	606,77	
Central Bank Cash Balances and Other Demand Deposits (0005)	124,30	124,30	124,30		124,30		
Debt securities (0010)	181,28	181,28	181,28		181,28		
Public administrations (0030)	181,28	181,28	181,28		181,28		
Loans & Advances (0070)	8.562,16	7.804,43	7.799,80	4,63	7.197,66	606,77	
Credit institutions (0100)	261,04	261,04	261,04		261,04		
Other financial companies (0110)	0,45	0,45	0,45		0,45		
Non-financial corporations (0120)	27,73	21,16	21,16		20,90	0,27	
Of which: small and medium-sized enterprises (0130)	27,73	21,16	21,16		20,90	0,27	
Homes (0150)	8.272,94	7.521,78	7.517,15	4,63	6.915,27	606,51	
Of which: loans secured by residential real estate (0160)	8.121,13	7.376,78	7.372,23	4,55	6.778,98	597,80	
Debt instruments at fair value through other comprehensive income (0201)							
Non-trading debt instruments compulsorily measured at fair value through profit or loss or designated at fair value through profit or loss (0231)							
Debt instruments other than those held for trading (0330)	8.867,74	8.110,01	8.105,38	4,63	7.503,24	606,77	
Debt Instruments Held for Sale (0335)							

Data in millions of euros

FI_18-0.a - Information on non-doubtful and doubtful exposures GROUP 2025

	TOTAL	Doubtful (0060)											
		Unlikely Payment Not Due or Due ≤ 90 Days (0070)	Expired > 90 days ≤ 180 days (0080)	Expired > 180 days ≤ 1 year (0090)	Expired > 1 Year ≤ 2 Years (0101)	Expired > 2 years ≤ 5 years (0102)	Expired > 5 years ≤ 7 years (0106)	Expired > 7 years (0107)	Of which: instruments with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2) (0109)	Of which: unpaid (0110)	Of which: instruments with credit impairment (phase 3) (0121)	Of which: financial assets acquired or originated with credit impairment (0900)	Of which: with impairment (0122)
Debt instruments at amortized cost (0180)	757,73	236,36	21,17	34,53	79,27	326,04	23,34	37,02	-	737,57	725,58	-	-
Loans & Advances (0070)	757,73	236,36	21,17	34,53	79,27	326,04	23,34	37,02		737,57	725,58		
Non-financial corporations (0120)	6,57		-	-	-			6,57		6,57	6,57		
Of which: small and medium-sized enterprises (0130)	6,57		-	-	-			6,57		6,57	6,57		
Homes (0150)	751,16	236,36	21,17	34,53	79,27	326,04	23,34	30,45		731,00	719,02		
Of which: loans secured by residential real estate (0160)	744,36	234,89	20,70	34,04	77,72	323,31	23,34	30,35		723,91	712,19		
Debt instruments at fair value through other comprehensive income (0201)													
Non-trading debt instruments compulsorily measured at fair value through profit or loss or designated at fair value through profit or loss (0231)													
Debt instruments other than those held for trading (0330)	757,73	236,36	21,17	34,53	79,27	326,04	23,34	37,02		737,57	725,58		
Debt Instruments Held for Sale (0335)													

Data in millions of euros

FI_18-0. b - Information on non-doubtful and doubtful exposures GROUP 2025

	Non-performing exposures - Accumulated value impairment and provisions (0140)					
	TOTAL	Of which: expired > 30 days <= 90 days (0910)	Of which: expired > 30 days <= 90 days (0910)	Of which: instruments without a significant increase in credit risk since initial recognition (phase 1) (0141)	Of which: instruments with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2) (0142)	Of which: financial assets acquired or originated with credit impairment (0143)
DEBT INSTRUMENTS AT AMORTIZED COST (0180)	-132,71	-13,35	-0,56	-2,17	-11,18	0,00
Loans & Advances (0070)	-132,71	-13,35	-0,56	-2,17	-11,18	0,00
Non-financial corporations (0120)	-2,61	-0,13		-0,06	-0,07	0,00
Of which: small and medium-sized enterprises (0130)	-2,61	-0,13		-0,06	-0,07	0,00
Homes (0150)	-129,65	-12,77	-0,56	-1,66	-11,11	0,00
Of which: loans secured by residential real estate (0160)	-122,58	-10,65	-0,46	-1,09	-9,56	0,00
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (0201)						
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (0231)						
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (0330)	-132,71	-13,35	0,00	-2,17	-11,18	0,00
DEBT INSTRUMENTS HELD FOR SALE (0335)						
OFF-BALANCE SHEET EXPOSURES (0550)						

Data in millions of euros

Non-performing exposures - Accumulated impairment, negative cumulative changes in fair value due to credit risk and provisions (0150)											
TOTAL	Unlikely Payment Not Due or Due ≤ 90 Days (0160)	Expired > 90 days ≤ 180 days (0170)	Expired > 180 days ≤ 1 year (0180)	Expired > 1 year ≤ 2 years (0191)	Expired > 2 years ≤ 5 years (0192)	Expired > 5 years ≤ 7 years (0196)	Expired > 7 years (0197)	Of which: instruments with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2) (0950)	Of which: instruments with credit impairment (phase 3) (0951)	Of which: financial assets acquired or originated with credit impairment (0952)	
DEBT INSTRUMENTS AT AMORTIZED COST (0180)	-119,36	-15,24	-1,44	-3,39	-9,59	-68,28	-8,29	-13,13	-0,43	-118,93	
Loans & Advances (0070)	-119,36	-15,24	-1,44	-3,39	-9,59	-68,28	-8,29	-13,13	-0,43	-118,93	
Non-financial corporations (0120)	-2,48							-2,48		-2,48	
Of which: small and medium-sized enterprises (0130)	-2,48							-2,48		-2,48	
Homes (0150)	-116,88	-15,24	-1,44	-3,39	-9,59	-68,28	-8,29	-10,64	-0,43	-116,45	
Of which: loans secured by residential real estate (0160)	-111,94	-14,40	-1,15	-3,04	-8,45	-66,05	-8,29	-10,56	-0,35	-111,59	
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (0201)											
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (0231)											
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (0330)	-119,36	-15,24	-1,44	-3,39	-9,59	-68,28	-8,29	-13,13	-0,43	-118,93	
DEBT INSTRUMENTS HELD FOR SALE (0335)											
OFF-BALANCE SHEET EXPOSURES (0550)											

Data in millions of euros

RESTRUCTURED AND REFINANCED EXPOSURES

FI_19.a - Restructured and refinanced exposures	Gross carrying amount / nominal amount of restructured or refinanced exposures (010)										
		Restructured or refinanced non-performing exposures (020)				Restructured or refinanced doubtful exposures (060)					
			Restructured instruments (030)	Refinances (040)	Of which: non-performing exposures restructured or refinanced in a trial period reclassified from the category of non-performing exposures (050)		Restructured instruments (070)	Refinancing (080)	Of which: with non-payment (090)	Of which: with impairment (100)	Of which: restructuring or refinancing of non-performing exposures prior to such restructuring or refinancing (110)
DEBT INSTRUMENTS AT AMORTIZED COST (180)	992,49	384,76	347,53	37,22	156,25	607,73	536,30	71,43	591,45	597,94	502,87
Loans & Advances (070)	992,49	384,76	347,53	37,22	156,25	607,73	536,30	71,43	591,45	597,94	502,87
Homes (150)	992,49	384,76	347,53	37,22	156,25	607,73	536,30	71,43	591,45	597,94	502,87
Of which: loans secured by residential real estate (160)	984,36	381,49	344,91	36,59	154,44	602,87	533,21	69,66	586,68	593,14	498,01
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (201)											
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (231)											
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (330)	992,49	384,76	347,53	37,22	156,25	607,73	536,30	71,43	591,45	597,94	502,87
DEBT INSTRUMENTS HELD FOR SALE (335)											

Data in millions of euros

SECURITIZATION TRANSACTIONS

Since its inception, UCI has had a recurrent policy of going to the capital markets through the securitization of its credit assets. Thus, the holders of the securitization bonds placed on the capital markets cover the liquidity of these transactions until maturity.

Since 1994, UCI has issued 30 securitization funds in Spain for an initial total amount of approximately €19,900 million, mostly placed on the capital markets, belonging to the RMBS UCI 1 to 19 and Prado I to Green Prado XI issues. In Portugal since March 2020, RMBS Green Belem 1 and RMBS Belem 2 have been issued. A synthetic RMBS securitization transaction of mortgage loans to individuals was carried out in 2023, in order to make a significant transfer of risk (SRT) to a counterparty (insurer) through an insurance contract.

The following table presents, among other information, the structured entities (Asset-Securitization Funds) that are subject to consolidation in the consolidated financial statements at the end of the financial year:

Program Name	Uniform	Program amortization date	First date for withdrawal of the sold sections	Calls for the withdrawal of sold sections	Rechargeable securitization (S/N)	Nominal amount of accounts receivable as of 31.12.25	Nominal amount of the securitisation as at 31.12.25	Section identification					Reserve Fund	Reserve Fund	Expenses of the establishment of the Fund and the issuance of the Notes
								Section 1	Section 2	Section 3	Section 4	Section 5			
FTA UCI 14	Euro	21/03/2026	21/03/2026	10% Clean up Call	N	148,55	141,94	69,44	34,10	38,40	0,00	0,00	5,80	5,80	0,00
FTA UCI 15	Euro	18/03/2028	18/03/2028	10% Clean up Call	N	193,05	184,06	94,66	32,90	56,50	0,00	0,00	5,70	5,70	0,00
FTA UCI 16	Euro	18/12/2028	18/12/2028	10% Clean up Call	N	268,73	253,37	0,00	130,97	72,00	41,40	9,00	7,20	7,20	0,00
FTA UCI 17	Euro	18/12/2029	18/12/2029	10% Clean up Call	N	232,36	216,17	0,00	115,37	72,80	28,00	0,00	5,60	5,60	0,00
RMBS PRADO VIII	Euro	15/06/2026	15/06/2026	Step up call	N	282,35	284,66	186,66	50,00	26,40	21,60	0,00	5,69	5,69	0,06
RMBS PRADO IX	Euro	17/09/2026	17/09/2026	Step up call	N	327,00	330,37	266,97	24,40	39,00	0,00	0,00	6,61	6,61	0,12
RMBS PRADO X	Euro	16/03/2027	16/03/2027	Step up call	N	379,55	383,82	320,52	23,70	39,60	0,00	0,00	7,68	7,68	0,18
GREEN RMBS PRADO XI	Euro	20/06/2028	20/06/2028	Step up call	N	363,31	365,62	228,42	78,40	26,90	31,90	0,00	5,59	5,59	0,34
RMBS BELEM No.2	Euro	23/09/2027	23/09/2027	Step up call	N	164,55	169,45	88,55	45,20	35,70	0,00	0,00	3,16	3,16	0,00

Data in millions of euros

Program Name	Uniform	Program amortization date	First date for withdrawal of the sold sections	Calls for the withdrawal of sold sections	Rechargeable securitization (S/N)	Nominal amount of accounts receivable as of 31.12.25	Nominal amount of the securitisation as at 31.12.25	Section identification		
								Senior	Protected	First loss
VISIONARY	Euro	20/01/2038	20/01/2038	Step up call	N	533,51	533,44	498,19	33,74	1,51

Data in millions of euros

Securitization	Outstanding balance	Subjective non-performing balance	Subjective doubtful provision	Non-performing loans	Delinquent doubtful provision	Non-performing balance	Doubtful provision
PRADO VIII	283,62	0,47	0,00	0,71	0,05	1,18	0,05
PRADO IX	329,22	1,44	0,00	2,45	0,07	3,89	0,07
PRADO X	382,11	0,78	0,00	2,03	0,06	2,80	0,06
PRADO XI	364,05	0,82	0,04	1,05	0,00	1,87	0,04
UCI 14	149,00	1,93	0,04	13,86	2,73	15,79	2,77
UCI 15	193,76	2,61	0,10	18,45	2,93	21,06	3,03
UCI 16	269,62	4,14	0,14	28,40	5,46	32,54	5,60
UCI 17	233,31	3,31	0,12	28,74	6,28	32,05	6,40
BELEM 2	164,56	0,00	0,00	0,08	0,00	0,08	0,00
Total	2.369,25	15,5	0,44	95,77	17,58	111,26	18,02

Data in millions of euros

As a result of the need to have two ratings with a minimum grade of at least "A" awarded by two different rating agencies in order to be eligible for the status of eligible assets in the ECB's liquidity transactions, a part of the securitization bonds have lost this status. However, the bonds of VIII (series A, B and C), IX (series A and B), X (series A and B) and XI (series A, B and C) as well as series A and B of Belem 2, are eligible assets at the end of the year.

	Rating Agencies																													
	S&P					Moody's					Fitch					DBRS					Scope									
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5					
UCI 14	AAA	AA+	BB+								AAA	AA	CCC								AAA	AAA	AA			AAA	AAA	AA		
UCI 15	AAA	AA+	BB-								AAA	AA+	CCC	CCC							AAA	AA(H)				AAA	A+			
UCI 16	AAA	AA-	BB+	CCC	D						AAA	A	B-	CC	CC						AAA	AA								
UCI 17	AAA	BBB-	B	D							AAA	BB-	CCC	CC							AAA	AA(H)	AA(L)							
PRADO VIII											AAA	AAA	AAA			AAA	AAA	AA			AAA	AAA	AA			AAA	AAA	AA		
PRADO IX											AAA	AA+				AAA	AA(H)				AAA	A+								
PRADO X											AAA	AA				AAA	AA													
PRADO XI											AAA	AA+	AA			AAA	AA(H)	AA(L)												
BELEM 2											AAA	AA+				AAA	A(H)													

CONCENTRATION OF RISKS BY ACTIVITY AND GEOGRAPHICAL AREA

CONCENTRATION OF RISKS BY ACTIVITY AND GEOGRAPHICAL AREA (Book value)	2025	Spain	Rest of the European Union	America
TOTAL ACTIVITY				
1. Credit institutions	0,31	0,31	0,00	
2. Public Administrations	0,18	0,18		
3. Other financial institutions				
4. Non-financial corporations and sole proprietors	0,01	0,01		0,00
4.1 Construction and real estate development	0,01	0,01		
4.2 Civil works construction				
4.3 Other purposes	0,00			0,00
4.3.1 Large companies				
4.3.2 SMEs and sole proprietors	0,00			0,00
5. Other households and NPISHs	8,27	7,15	1,13	
5.1 Housing	8,27	7,15	1,13	
5.2 Consumption				
5.3 Other purposes				
TOTAL	8,77	7,64	1,13	0,00

Data in millions of euros

DISTRIBUTION OF CREDIT TO CUSTOMERS BY ACTIVITY	Credit with real guarantee. Loan to value							
	TOTAL	Of which: Real estate guarantee	Of which: Other security rights	LTV<=40%	40%< LTV<=60%	60%< LTV<=80%	80%< LTV<=100%	LTV>100%
1 Public Administrations								
2 Other financial institutions	0,02							
3 Non-financial corporations and sole proprietors	0,01	0,01		0,00	0,00	0,00	0,00	0,00
3.1 Construction and real estate development (b)	0,01	0,01		0,00	0,00	0,00	0,00	0,00
3.2 Civil works construction								
3.3 Other purposes	0,00							
3.3.1 Large companies (c)								
3.3.2 SMEs and sole proprietors (c)	0,00							
4 Other households and NPISHs	8,14	7,84		1,81	3,03	2,14	0,55	0,32
4.1 Dwellings (d)	8,14	7,84		1,81	3,03	2,14	0,55	0,32
4.2 Consumption (d)								
4.3 Other purposes (d)	0,00	0,00		0,00	0,00	0,00	0,00	0,00
TOTAL	8,17	7,85		1,81	3,03	2,14	0,55	0,32
PRO MEMORY	0,00	0,00		0,00	0,00	0,00	0,00	0,00
Refinancing, refinancing and restructuring transactions (Net)	0,98	0,97		0,10	0,20	0,24	0,19	0,24

Data in millions of euros

5.4 Capital requirements for credit and concentration risk

The Pillar 1 methodology as set out in Regulation (EU) 2024/1623 amending Regulation (EU) No 575/2013 is used to assess capital needs for credit risk.

Credit Risk Exposure and RWAs (Dec 25)		RWA %	Amount of credit risk exposure	APRs
Exhibition categories				
(a) Exposures to governments or central banks	Cash, central bank deposits and fiscal assets	0%	154	0
	Deposits in credit institutions - Temporary acquisition of assets (reverse repo)	0%	190	0
	Non-monetizable deferred tax	250%	3	7
	Deferred tax of diff. temporary	100%	48	48
c) Exposures to public sector entities	Public Entity Bonds	0%	50	0
(f) Exposures to institutions	Deposits with credit institutions in other accounts (banks)	20%	114	23
	BS Collateral	30%	7	2
	BNPP Collateral	20%	2	0
	BoA Collateral	30%	1	0
	BNP counterparty notional derivatives	20%	85	17
	Notional derivatives BS counterparty	30%	80	24
	BNP counterparty trading derivatives	20%	2	0
	BS Counterparty Trading Derivatives	30%	2	1
(h) Retail exposures	01.-Personal loans. Tranche A	75%	139	105
	02.-Personal loans. Section b	100%	4	4
(i) Exposures secured by mortgages on immovable property and SEA exposures	01.-NO BIGR (LTV <= 55%)	20%	6.063	1.213
	02.-NO BIGR (LTV >55%) - On the other side: Tranche a	75%	708	531
	03.-NO BIGR (LTV >55%) - Counterparty: Tranche b	100%	2	2
	01.-BIGR (LTV <= 55%)	20%	80	16
	02.-BIGR (LTV >55%) - Counterparty: Tranche a	75%	6	4
	03.-BIGR (LTV >55%) - Counterparty: Tranche b	100%	0	0
	01.-BIGR (LTV <= 50%)	30%	1	0
	02.-BIGR (50% < LTV <= 60%)	35%	0	0
	03.-BIGR (60% < LTV <= 80%)	45%	0	0
	04.-BIGR (80% < LTV <= 90%)	60%	0	0
	05.-BIGR (90% < LTV <= 100%)	75%	0	0
	06.-BIGR (LTV > 100%)	105%	0	0
	01.-NO BIGR (LTV <= 55%)	60%	1	0
	02.-NO BIGR (LTV >55%) - On the other side: Tranche a	75%	0	0
	03.-NO BIGR (LTV >55%) - Counterparty: Tranche b	100%	0	0
	01.-BIGR (LTV <=60%)	70%	0	0
	02.-BIGR (60% < LTV <= 80%)	90%	0	0
	03.-BIGR (LTV >80%)	110%	0	0
	01.-Rest NOT BIGR. According to counterpart: Tranche a	75%	6	4
	02.-NON-BINDING REMAINDER. Counterpart: Section b	100%	1	1
	01.-Rest BIGR	150%	0	0
	01.-Acquisitions, urbanization and construction of land	150%	0	0
	(j) Defaulted exposures	01.-Mortgages with real collateral in a situation of default	100%	616
02.-Unsecured mortgages in default		150%	2	3
Non-current assets held for sale (REO's)		100%	100	100
(m) Elements relating to securitisation positions	Securitisation FG tranche A	15%	498	75
	Securitisation FG tranche B	38%	34	13
	Securitisation FG tranche C	0%	0	0
(q) Other elements	Real estate investments	100%	153	153
	Other Assets	100%	30	30
Other exposures undetermined	Available off-balance sheet	75%	42	31
GR portfolio pending collection of CREDIA	Entities with credit evaluation	50%	71	36
Debit balance pending KYMA collection	Entities with credit evaluation	100%	19	19
			9.314	3.078

Data in millions of euros

Due to the type of activity carried out by the UCI Group, most of the exposures are made up of exposures to individuals secured by residential real estate.

Credit concentration risk

Sectoral credit concentration

To estimate the capital needs due to sectoral credit concentration in accordance with the **simplified option**, UCI Group calculates the ICS of its loan portfolio and the business (FRE) and cyclical (FRC) reducing factors.

$$\text{Surcharge coefficient (\%)} = (\text{ICS} - 18) \times \text{FRE} \times \text{FRC}$$

The direct risk of the entity is grouped without considering the risk to individuals (except that derived from the performance of business activities), in the twelve groupings of economic activity that are included in the CNAE 2009 sections and codes.

	GROUPINGS	AMOUNT OF THE INVESTMENT	%INVESTMENT
Real Estate	BRC	42,12	100%
Basic materials	MAT		
Non-bank finance	FNB		
Processing and manufacturing industries	IND		
Consumption in the basics or discretionary	CNB		
Telecommunications and information technology services	CWI		
Transport and logistics	TRL		
Business and Professional Services	SCP		
Basic necessities	PPN		
Public utility supplies	SUP		
Health and care	SALT		
Fossil energy	JAN		
	TOTAL CONTENTS	42,12	100%
			ICS

Data in millions of euros

$ICS = \frac{\sum X^2}{(\sum X)^2} \times 100$. Where x is the value of the investment in each sectoral grouping.

CIS= 1.32%

- Reducing factor related to the proportion of risk to companies over total entity risk (FRE)

$$FRE = \frac{\text{Importe de la columna Total de la fila 4 "Sociedades no financieras y empresarios individuales" del Estado C. 22.2}}{\text{Suma de las filas 1 a 5 de esa misma columna}}$$

FRE= FRE yes; FRE / 35% < 1

$$FRE = \frac{42,12}{8.769.642} = 0,004$$

$$FRE = \frac{0,004}{35\%} = 0,0137$$

- Cyclical risk behaviour (CFR) reducing factor

The sectoral grouping with the highest risk is the real estate grouping (BRC) → FRC= 1

- Calculation of capital needs due to sectoral credit concentration:

Surcharge coefficient (%) = $(1.32 - 18) \times 0.0137 \times 1 = -0.23$

The entity's sectoral concentration index referring to its loan portfolio is 1.32, so as it is less than 18, it is entitled to a surcharge of 0% on its capital needs for Pillar 1 credit risk.

Individual credit concentration

To calculate the capital needs for individual credit concentration, in accordance with the **simplified option**, the entity calculates the ICI among the 1,000 borrowers with respect to those with the greatest direct exposure.

	AMOUNT OF THE INVESTMENT	% INVESTMENT
TOTAL INVESTMENT	8.318	100%
1000 ACCREDITED SENIORS	531	6,38%
INDIVIDUAL CONCENTRATION INDEX	0,0004%	

Data in millions of euros

$ICI = \frac{\sum X^2}{(\sum Y)^2} \times 100$. Where x is the value of the total direct investment of each borrower or group belonging to the 1,000 largest borrowers of the entity, and y is the amount of the total direct risk of the entity (considering the investment as a whole).

ICI = 0.0004%

Capital needs due to individual credit concentration

The individual concentration ratio of the loan portfolio is 0.0004%, so it is due a surcharge of 0% on the capital needs for individual credit concentration in accordance with the simplified option.

In addition, the list of the 10 highest indirect risks is included, indicating the owner and amount.

Internal code	Outstanding debt
ES670020037	1,47
ES670020038	1,47
ES330036875	1,39
ES420059216	1,22
ES910000709	1,10
ES910000719	1,10
ES910000729	1,10
ES640025159	0,92
ES640025160	0,92
ES260066980	0,91

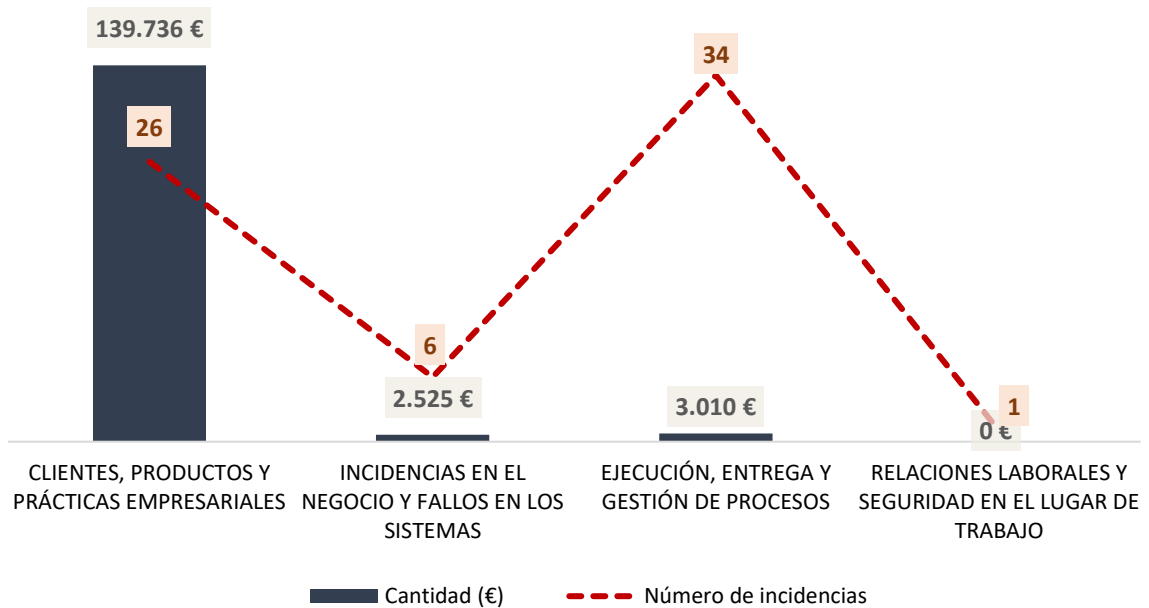
Data in millions of euros

6. Operational risk

6.1 Annual evolution

With the entry into force of CRR III, the calculation of capital requirements for operational risk is now carried out through the "combined use of different methods". Under this new approach, the requirements are determined by the component of the activity indicator, which represents requirements of €6.50 million, equivalent to 1.44% of the entity's total capital requirements.

During the 2025 financial year, the Operational Risk Incident System recorded 67 operational risk events, with an associated cost of €0.15M (compared with €0.16M in 2024). If it focuses only on incidents that exceed the threshold of €20,000, only two exceed it, reaching a total amount of €0.09 million.



In relation to compliance and conduct risk, with regard to the operational risk derived from loans referenced to the IRPH (official BoS benchmark), although there has been a downward trend in the number of complaints since the last ruling of the Supreme Court at the end of 2025, the entity has continued to monitor the evolution of the IRPH portfolio in order to be able to anticipate possible complaints from customers.

UCI Group applies measures and procedures in relation to the Prevention of Money Laundering (AML) and Terrorist Financing (CFT) in all the activities carried out by the entity.

In its commitment to the prevention of criminal risk, as well as to the prevention and eradication of bad practices in professional performance, the UCI Group has a Whistleblowing Channel (Ethical Alert channel) that makes it possible to report any conduct that is not aligned with current regulations or with UCI's internal policies and procedures and that may pose a risk to the company. During the 2025 financial year, no breach of the ethics alert has been recorded.

On the other hand, the analysis of ICT risks has been reinforced in the TPRM (Third-Party Risk Management) system implemented with regard to the contracting of new services and, specifically, in the outsourcing of essential functions in compliance with the requirements established in Circular 3/2022 and Guidelines on outsourcing (EBA/GL/2019/02).

In addition, UCI obtains the renewal of the ISO 22301 and ISO 27001 certifications, guaranteeing the continuity of its business and information security.

6.2 Operational risk management

The objective in terms of operational risk control and management focuses on the identification, measurement, evaluation, control, mitigation and information of said risk. Within the operational risk, ICT risk, compliance and conduct risk and model risk are identified.

The main function of the Operational Risk Management System (EMS) is the identification and evaluation of the existing operational risk inherent in the daily activity and operational processes carried out by UCI. These risks are assessed in relation to pre-established levels of probability and impact.

A precondition for risk assessment is the establishment of objectives associated with the different levels of the entity. These objectives can be operational, information and compliance and must allow the identification and assessment of risks with a potential impact on these objectives. The evaluation considers the impact that possible changes may have on the external environment and within its own business model, and that may cause internal control to be ineffective.

As a result of this identification and assessment of risks, control activities are carried out based on actions established through policies and procedures that help to ensure that measures are carried out to mitigate risks with a potential impact on the objectives.

With regard to operational risk, the organizational model adopted by the UCI Group based on the three lines of defense identifies the following pillars or independent levels of responsibility:

- **First line of defense:** formed by the business areas and all the support areas that generate exposure to a risk. These areas are responsible for establishing a risk management environment in a way that ensures that risks remain within the approved appetite and defined limits.
- **Second line of defense:** composed of the risk management function, the internal control function and the compliance function. These areas independently monitor and challenge the risk management activities carried out by the frontline.
- **Third line of defense:** composed of the internal audit function. In its work as the last layer of control, it regularly assesses that policies, methods and procedures are adequate and effectively implemented in the management and control of all risks.

UCI Group implements an Operational Risk Incident System (SIRO) where operational risk incidents (hereinafter, RO) are identified, managed and quantified in accordance with the categories of RO events established by the Bank of Spain (BoS). The Group's priority is therefore to identify and eliminate sources of risk in the processes, regardless of whether economic losses have occurred or not. Measurement also contributes to prioritization in RO incident management. For this reason, all employees are responsible for managing and controlling the operational risks generated in their field of action.

6.3 Operational Risk Information

C_02. 00.a - Capital adequacy - Amounts of risk exposures

GROUP 2025

Total Operational Risk Exposure (0590)	81,23
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Data in millions of euros

6.4 Capital requirement for operational risk

The calculation of capital requirements for operational risk is done by the "combined use of different methods"³ as described in Regulation (EU) 2024/1623 (CRR III).

³ Calculation as defined in Chapter 1 of Title III of Part Three of Regulation (EU) 2024/1623 (CRR III)

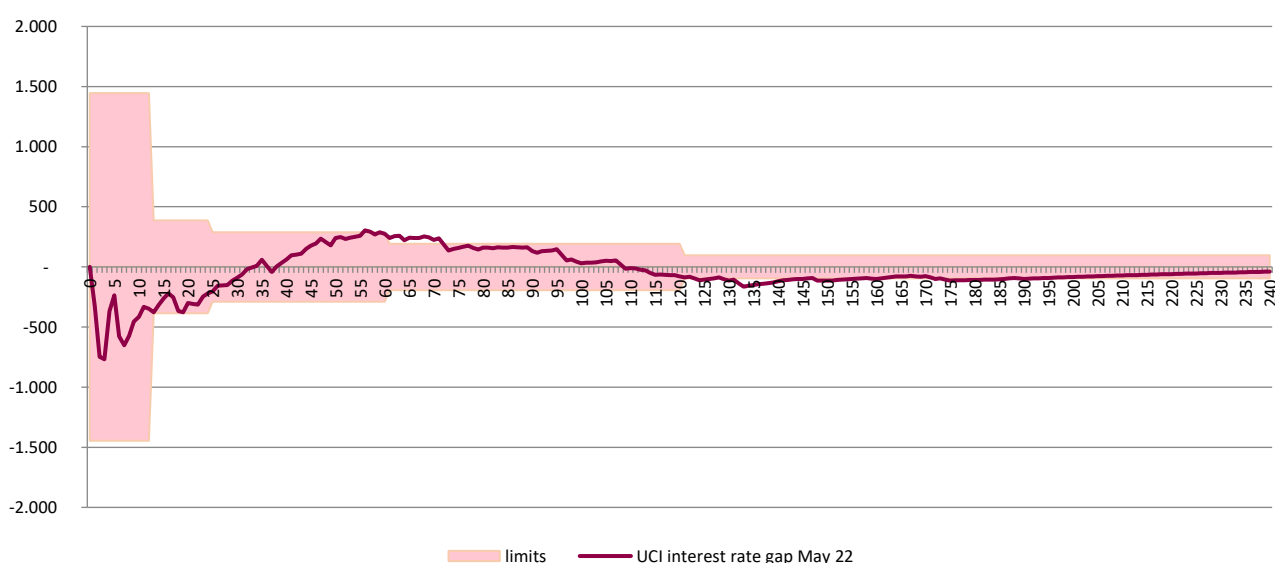
Operating C16.01.a_Risk - own funds requirements	Value (0010)		GROUP		
		of which: adjustments due to merger/acquisition of entities or activities (0020)	(Adjustments due to disposal or disposition by other means) (0030)	Own funds requirements (0040)	Risk Exposure Amount (0050)
Activity indicator component and alternative standard method (0010)				6,50	81,23
Activity Indicator (0020)	54,16				
Interest, leases and dividends components (0030)	41,97				
Interest, lease and dividend component related to the individual entity or consolidated group (excluding entities referred to in Article 314(3)(0040)	41,97				
Interest, leases and dividends component for the entities referred to in Article 314(3) (0050)					
Services Component (0060)	4,73				
Financial component (0070)	7,46				
Alternative Standard Approach under Section 314(4) (retail banking) (0080)					
Alternative Standard Approach under Article 314(4) (commercial banking) (0090)					
Memorandum: Interest, lease and dividend component related to the individual entity or consolidated group, including the entities referred to in Article 314(3) (0100)					

Data in millions of euros

7. Balance sheet structural interest rate risk

7.1 Annual evolution

As of December 31, 2025, the interest rate gap does not exceed any of the limits established internally for the different time periods.



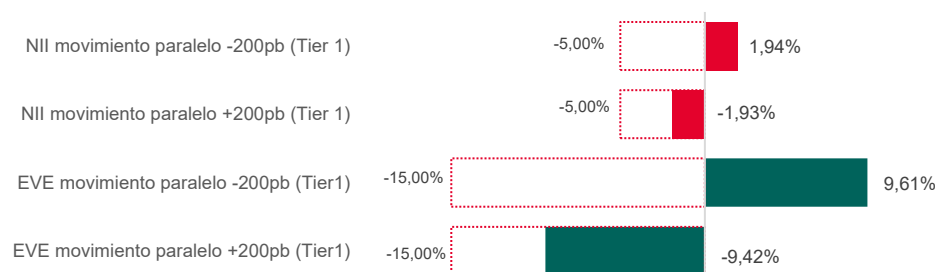
]0 - 1M]]1M - 3M]]3M - 6M]]6M - 1Y]]1Y - 2Y]]2Y - 5Y]]5Y - 10Y]]10Y - 20Y]
IRBB lender limit check (€)	OK	OK	OK	OK	OK	OK	OK	OK
Total Lender gap	-327	-758	-393	-463	-297	-28	-9	-88
Lender limit	-1.446	-1.446	-1.446	-1.446	-385	-289	-193	-96
IRBB Borrower limit check (€)	OK	OK	OK	OK	OK	OK	OK	OK
Total Borrower gap	0	0	0	0	0	126	116	0
Borrower limit	1.446	1.446	1.446	1.446	385	289	193	96

IRRBB

Percentage change in the economic value (FSC) of Tier 1 capital in the face of a parallel movement of the interest rate curve of +/- 200bp stands at -9.42% and 9.61% respectively, without exceeding the regulatory limit of -15% of Tier 1 capital.

Percentage change in net interest income (NII) of Tier 1 capital in the face of a parallel movement of the interest rate curve of +/- 200bp stands at -1.93% and 1.94% respectively, without exceeding the regulatory limit of -5% of Tier 1 capital.

The figures presented show that the variations in interest rates have not had an unfavourable impact on the economic value and equity of the entity.



7.2 Balance sheet structural interest rate risk management

Structural on-balance sheet interest rate risk is defined as the possibility of a negative impact, both on an institution's earnings and on the economic value, arising from adverse movements in market interest rates. This risk affects rate-sensitive instruments, incorporating different sources such as asset-liability mismatch risk (gap), curve risk, basis risk and optionality risk.

The Asset and Liability Management (ALM) area is responsible for coordinating the management of structural risks on the balance sheet, including interest rate risk, ensuring a global and coherent view of the entity's exposure. Among its main functions are the definition of metrics and indicators, the monitoring of approved limits and the provision of reliable information for decision-making by Senior Management.

Interest rate risk management aims to maintain the stability of the entity's financial margin, aligning the amounts, terms and dates of revision of the interest rates of mortgage loans with those of financing, i.e. ensuring consistency between the reference rates of assets and liabilities.

To measure interest rate risk, the sources that cause this risk must be identified beforehand, which are basically the following: price risk, yield curve risk, basis risk and optionality risk. Each of them is described below:

1. **Gap risk:** Risk linked to instruments sensitive to the term structure of interest rates, which arises from differences in the time when their rates are repriced. It covers changes in the term structure of interest rates that occur, either consistently along the yield curve (parallel risk) or differently depending on the term (non-parallel risk).
2. **Yield curve risk:** Yield curve risk arises because of the change in the interest curves of instruments. It is related to different types of displacements (level and slope movements) that can be seen in type curves.
3. **Base risk:** Risk arising from the impact of relative changes in interest rates on interest-rate-sensitive instruments that have similar maturities, but whose repricing is determined using different interest rate indices. The underlying risk arises from the imperfect correlation in the adjustment of the rates charged and paid of different instruments sensitive to interest rates, which are similar in the rest of the pricing characteristics.
4. **Optionality risk** arises because of implicit and explicit optionality transferred to customers or counterparties through instruments traded on the balance sheet (mortgages).

The indicators used in the analysis of the exposure of UCI's balance sheet to interest rate risk are approached from three perspectives:

Interest rate gap

The GAP analysis consists of grouping the portfolio balances according to the maturity and repricing of assets and liabilities in time intervals in order to estimate the sensitivity of the balance sheet to changes in interest rates. There can be positive situations, in which more assets mature and/or reprice than liabilities, they are favorable to interest rate hikes and negative gap, in which more liabilities mature and/or reprice than assets, they are favorable to interest rate decreases.

Banking Book Interest Rate Risk (IRRBB)

IRRBB risk monitoring mainly includes the sensitivity of NII and EVE to interest rate variations. UCI calculates the impact on the economic value of equity (FSC) on a quarterly basis point in the event of a parallel shock of +/- 200 basis points in the interest rate curve. In addition, the Entity reports annually to the supervisor, within the framework of the IACL, the change in FSC resulting from this analysis.

In the event that the reduction of the FSC exceeds 15% of the Tier 1 capital under any of the six disturbance scenarios, the Entity shall proceed to inform the competent authority.

The six scenarios are as follows:

- i. parallel upward movement;
- ii. parallel downward movement;
- iii. politicization (lowering short-term rates and rising long-term rates);
- iv. flattening (rise in short-term rates and lowering long-term rates);
- v. rising short-term rates; y
- vi. Lowering short-term rates.

In relation to the financial margin (NII), the Entity calculates its sensitivity to a parallel movement of +/- 200 basis points in the interest rate curve on a quarterly basis.

Likewise, the Entity shall inform the competent authority when the decrease in the NII exceeds 5% of the Tier 1 capital under either of the two established disturbance scenarios.

Finally, the specific magnitudes of interest rate shocks defined for the euro currency (EUR), expressed in basis points, are considered.

Parallel: 200 bp	Short Term: 250 bp	Long Term: 100bp
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Banking Book Credit Spread Risk (CSRBB)

The metrics used to track credit spread risk in the banking book (CSRBB) mainly include the sensitivity of NII and EVE to variations in spread curves.

7.3 Capital requirements for structural interest rate risk on the balance sheet

To assess the capital needs for structural interest rate risk on the balance sheet, on the one hand, the UCI Group uses the simplified option, consisting of calculating the difference between the decrease in the economic value (in the worst case scenario, Article 68 bis paragraph 1 point a) of Law 10/2014 and the lower amount of the sum of the recurring margin of the last 3 years or 15% of the capital of level 1 of the entity.

In the most severe scenario considered for the adverse impact on economic value, the estimated decrease amounts to €40.93 million. When comparing this impact with the regulatory threshold equivalent to 15% of Tier 1 capital, which reaches €65.02 million, a surplus of ~€24 million is confirmed. This margin confirms that the loss-absorbing capacity associated with Tier 1 is sufficient to fully cover the projected reduction in economic value. Consequently, no additional capital needs are identified due to structural balance sheet interest rate risk.

On the other hand, to assess the need for capital, the approach is applied to the impact of unfavorable movements in interest rates (in the worst-case scenario established in Article 68 bis, paragraph 1 point b) of Law 10/2014) on one-year results.

This impact is calculated as the sum of the impacts (sensitivities) on net interest income, and on the fair value of the banking book portfolios measured at fair value through profit or loss or other comprehensive income, of the accounting hedge derivatives of these portfolios and of other non-accounting hedge derivatives of the banking book.

If this impact is greater than 50% of the recurring margin foreseen for the following year, the management measures envisaged to mitigate this impact will be indicated, and the need for additional capital for this reason will be assessed, avoiding double counting in relation to the capital allocated by economic value.

Considering the worst of the NII scenarios based on a parallel upward movement of 200 bps, the unfavorable impact would be €8.41 million, which is less than 50% of the recurring margin forecast for the following year (€21.30 million, 50% being equal to €10.65 million). Therefore, no additional capital needs are estimated due to structural balance sheet interest rate risk.

8. Market risk

8.1 Annual evolution

The reduction in the stock of foreclosed assets, the positive evolution of valuations and the obtaining of overall capital gains on the sales (+€17.3 million) determine a downward trend in this risk. The marketing of foreclosed assets continues to show excellent performance. In 2025, 689 sales have been carried out, placing the stock of foreclosed assets at 2.57% (2.74% in 2024).

8.2 Market risk management

It reflects the risk of incurring losses because of adverse movements in the market prices of the financial instruments with which the Entity operates. In the case of UCI Group, this risk is mainly managed by monitoring the price variations of foreclosed assets and is not subject to specific capital requirements for this risk.

In this context, it is relevant to analyse the treatment of the main financial instruments used by the Entity.

On the one hand, self-subscribed and retained bonds are held on the balance sheet until maturity, so changes in their valuation in the market do not imply the assumption of market risk.

On the other hand, hedging derivatives are designated as cash flow hedging instruments, with the aim of mitigating the interest rate risk of the liability, complying with the regulatory requirements for their consideration as such.

Consequently, the price variations of these instruments do not generate exposure to market risk, as they are classified in the investment portfolio held until maturity.

8.3 Capital requirements for market risk

UCI Group's exposure to market risk is based on the presence of foreclosed assets on its balance sheet and the price volatility of these assets, so no additional capital needs are estimated due to market risk since this risk is not incurred.

9. Reputational risk

9.1 Annual evolution

The main metrics of this risk show a high level of customer satisfaction at UCI Spain. In this sense, the eKomi certificate, based on an independent platform for assessing real customer experiences, reflects a score of 4.9 out of 5 at the end of the year. Likewise, the company profile on Google, aimed at managing its online presence, reaches a rating of 4.6 out of 5. Additionally, monitoring in the media and social networks indicates that 84% of mentions have a positive sentiment.

In addition, surveys are carried out at different stages of the loan granting process to know the customers' perception of the services provided and detect possible areas for improvement. This measurement is supported by indicators such as the NPS (*Net Promoter Score*), which reaches a value of 23.6 out of a range of +/-100, and the CSAT (*Customer Satisfaction Score*), which stands at 91.7%, reflecting a high level of satisfaction.

9.2 Reputational risk management

It is associated with changes in the perception of the Group, or of the brands that make it up, where an action, event or situation could have a negative or positive impact on the reputation of the organization. Determined by the latent risk of the mortgage sector, it does not present a deviation with respect to the peers.

The reputational risk management model is based on an eminently preventive approach, risk management and control, but also on crisis management processes. In this way, risk management encompasses both business and support activities.

10. Environmental, Social and Governance (ESG) Risk

10.1 Annual evolution

Environmental (E)

a) Sustainable business

The granting of sustainable or "green" transactions represents 35.5% of the total concession of transactions and achieves 192% of the target set for the 2025 financial year. On the other hand, the granting of loans for renovation has reached 237% of the target with an excellent ROE of 15.4%.

The highlights during the exercise are as follows:

- We have completed the last year of the *Residential Energy Rehabilitation (RER) Plan*, funded by the ELENA (*European Local Energy Assistance*) program, a joint initiative of the European Investment Bank and the European Commission. The program has provided a comprehensive solution to boost the energy rehabilitation of residential buildings, facilitating the development of energy efficiency improvement projects.
- We continue to make progress in the *ENGAGE for ESG Activation Investments project*, which is in its third and final year. The initiative, coordinated by European *DataWarehouse*, aims to develop a common data model for green loans to identify and standardize the key fields associated with this type of financing.
- We began our participation in the European LEGUP project, an initiative aimed at promoting an innovative financial model that facilitates access to energy-efficient housing for low-income buyers.
- In collaboration with the European Investment Bank (EIB) in a line aimed at promoting energy improvement actions in homes in Spain and Portugal. During 2025, this initiative continued to advance through the FT RMBS Prado XI, which has materialized approximately 69% of the volume committed to the EIB, mobilizing 139.6 million euros for energy efficiency interventions in both countries.
- In collaboration with Sustainalytics, we continue to make progress in the development of a financing framework aligned with the *Green Bond Principles*, which establishes the criteria for channeling resources towards initiatives that contribute to climate change mitigation.
- We continue to optimize our range of green products through solutions such as the purchase and renovation mortgage, aimed at promoting the improvement of the energy efficiency of homes by obtaining superior energy certifications after the renovation. In addition, €18.3 million has been formalized in the production of ICO Youth/Families Guarantee and €118.8 million in financing to homeowners' associations for the renovation of buildings.

b) Climate change risks

• Physical risk

In Spain, we preliminarily use physical climate scenarios developed together with the valuation company Gloval, which include river and coastal flooding, seismic risk, fires, desertification, air pollution and other extreme events. The objective of this analysis is to obtain a qualitative approximation to the possible exposure of our portfolio from which we have developed an internal methodology to assess the exposure of our loan portfolio to physical risks, combining our own data with geospatial information provided by the appraiser. The proprietary model makes it possible to identify different types of physical risks relevant to the assets financed and to estimate their potential exposure.

The results show a reduced exposure of the portfolio to most of these physical risks. In total, 10.5% (10,577 active out of 102,065) of the active assets analyzed have some level of exposure, mainly associated with risks such as desertification, seismic risk or river flooding. This analysis allows us to estimate the sensitivity of assets to possible regulatory changes, future energy adaptation requirements or more severe climate scenarios.

- **Transition risk**

The 2025-2027 Sustainability Plan incorporates the objectives, investments and projects necessary to reduce emissions and move towards a business model aligned with the Paris Agreement and the European Taxonomy.

Our contribution is particularly visible in the promotion of products that accelerate the energy transition of residential stock. By 2025, we will allocate €161 million to green mortgages and decarbonization projects aimed at improving the energy efficiency of homes. The sustained growth of green financing, with a Green Origination Ratio of 35.5%, consolidates a portfolio that is increasingly aligned with activities compatible with the energy transition.

Initiatives linked to the expansion of sustainable financial products, the integration of ESG analysis into financing activity, the improvement of the Green Asset Ratio (GAR), active management of physical climate risk and the reduction of our environmental footprint are part of the strategic framework and are directly reflected in a budget allocation, in the definition of corporate priorities and in the evolution of the financial portfolio. These initiatives are integrated into the Sustainability Plan and constitute the core of the UCI Transition Plan, scheduled for 2026, which will also include the details of the investments and financing necessary for its implementation.

Our activity is directly related to the energy performance of the building stock. We focus our offer on solutions that improve the energy efficiency of homes through financial products for the acquisition, renovation and refurbishment of homes and buildings.

Among the climate-related actions at UCI, we develop initiatives aimed at reducing our environmental impact and promoting the financing of solutions that contribute to the decarbonization of the economy. These actions are structured in two lines of action:

- Promotion of sustainable financial products that favour the energy transition of residential stock.
- Management of our environmental footprint through efficiency, circular economy and responsible consumption of resources.

Social (S)

A dedication to diversity is manifested in indicators such as the rate of employees with disabilities, promoting the inclusion of people from diverse backgrounds and abilities. In addition, gender inequality and pay disparity are analyzed to ensure equal opportunities and remuneration for all employees.

In terms of personnel management, we continuously monitor indicators such as turnover rate, new hires and redundancy rate, in order to identify and address challenges linked to talent retention and workforce stability. We also monitor absenteeism and employee training to promote a healthy work environment that is geared towards continuous development. In relation to occupational health and safety, we evaluate different indicators that allow us to ensure a safe and adequate work environment for all employees.

This commitment to people is also reflected in external recognition that highlight the quality of the Entity's work environment. In this sense, UCI Spain has obtained, for the sixth consecutive year, the Certification as a Great Place to Work, granted by the consulting firm *Great Place to Work*, a leader in the identification and certification of Great Places to Work. Similarly, the subsidiary in Portugal has renewed this certification for the fifth consecutive year.

With the aim of contributing to the improvement of social factors, the Entity's Equality Plan has continued to be reviewed, adapting it to the standards required by the Government through RD 901/2020.

Through our activity and our social commitments, we promote social and sustainable rehabilitation, residential inclusion and contribute to financial education. We contribute to the economic and social development of society mainly through our business activity and with our social action and volunteering initiatives.

The highlights during the exercise are as follows:

- Financial Education Program for people with intellectual disabilities together with the Prodis Foundation. In 2025, 16 volunteer employees participated, which represents an increase of 45.5% compared with 2024, and 61 students with intellectual disabilities received training, 27.1% more than the previous year. In addition, in 2025 we signed an agreement with the Prodis Foundation and the AEB Foundation to promote the program and reach a greater number of beneficiaries.
- Regarding young people and students, the evaluation is carried out after the completion of the financial education programs. The collaboration is mixed: direct, through internal surveys of the participants, and indirect, through the reports provided by collaborating foundations such as Junior Achievement and Dádoris
- In the case of people at risk of exclusion, the collaboration is also developed in the phase of evaluating the results of residential inclusion projects. It is articulated indirectly through entities such as the Spanish Red Cross and is periodic, associated with the annual development of the project. Actions to prevent residential exclusion were carried out that made it possible to support 16 families and benefit 77 people through aid for the payment of rent.
- Social action and volunteering plan "We accompany you" where we channel actions aimed at managing the material impacts linked to social groups, structured in three axes of action: financial education, inclusion of people with intellectual disabilities and prevention of residential exclusion.
- Financial education for young people, we encourage participants to acquire the necessary knowledge to manage their economy and strengthen their financial autonomy. In 2025 we participated for the tenth consecutive year in the "Your Finances, Your Future" program, promoted by the Spanish Banking Association (AEB) and the Junior Achievement Foundation. Our volunteers delivered training sessions in schools to encourage informed and responsible decision-making. During the year, we had 38 volunteer employees and 443 students who received financial training.
- Through the Finanzas Molonas program, we bring financial content to young people with disabilities, promoting essential skills for informed economic decision-making and strengthening financial inclusion in groups where this learning is decisive.
- Involvement in social and volunteering initiatives during 2025:
 - 889 beneficiaries of the actions in Spain
 - 156 unique volunteers in Spain
 - Participation in 42 programs in Spain
 - +74,500 euros in donations between Spain and Portugal

Corporate Governance (G)

The assessment of governance factors has been grouped into four subheadings:

- **Ethical considerations:** Integrity and respect for ethical principles are essential pillars of our daily actions and are essential to achieve our objectives and preserve the trust of customers and stakeholders.

For this reason, we promote the prevention of professional malpractice and promote a safe, ethical and respectful work environment, supported by a framework of policies and procedures that guides the conduct of our professionals.

Likewise, at UCI we have an Ethics Alert Channel through which it is possible to report any allegedly unlawful conduct or conduct contrary to current regulations, as well as to the internal policies and procedures of the UCI Group, of which you become aware in the exercise of professional functions.

In terms of financial responsibility, we ensure that our business practices are carried out with ethical and sustainable criteria, contributing positively both to society and to the solid and sustainable growth of the Entity.

- **Strategy and risk management:** risk management has evolved to consolidate itself as a strategic function with its own identity. It is closely linked to the core business and fully integrated into the corporate strategy. In this context, the role of the Chief Risk Officer (CRO) and the direct involvement of the board of directors highlight the growing importance of the risk function and its independence.
- **Document framework:** in order to ensure effective management, UCI has a solid governance framework based on frameworks, policies and procedures, essential for compliance with internal and external requirements. It also has a Governance of Frameworks and Policies procedure, which guarantees action in line with the principles of efficiency, responsibility, transparency and prudence of the Board of Directors.
- **Transparency:** The Entity guarantees transparency and integrity in the disclosure of information related to its products and services, through its website, in communications with customers and other stakeholders, as well as through compliance with regulatory reporting obligations and the dissemination of financial and non-financial information.

With the aim of strengthening our corporate governance model, the Governance Department has been created in charge of designing, implementing and supervising UCI's governance framework, ensuring transparency in decision-making

All these considerations and practices reinforce stakeholder confidence and contribute to the creation of a solid, ethical and sustainable organizational environment, which is a key element for the long-term financial and reputational success of the Entity.

10.2 ESG risk management

At UCI we analyze the impacts derived from the different factors within ESG risk, i.e. the risks arising from climate change and environmental, social and governance deterioration.

Environmental (E)

The "A" for environmental refers to the impact that the Entity's activity generates on the environment, both directly and indirectly, which is analyzed from different perspectives:

a) Sustainable business

We are committed to sustainable loan origination by setting production targets aligned with the criteria established by leading reference bodies and institutions, such as the European Investment Bank, the European Investment Fund, and sustainability rating agencies such as Sustainalytics.

b) Climate change risks

Climate change risks can be divided into two main categories: those arising from physical impacts and those arising from the transition to a low-carbon economy

• Physical risks

Physical risks arising from climate change are defined as those associated with the increased frequency and severity of extreme weather events, as well as gradual and long-term changes in climate conditions. These risks can have a direct impact on companies, through damage to their assets or infrastructure, or indirectly, through alterations in their transactions or in the viability of certain activities.

In response to supervisory expectations regarding the risks arising from climate change and environmental degradation, UCI has developed a specific methodology for the assessment of physical risks in its loan portfolio. This initiative highlights the importance of proactive management of these risks, with the aim of strengthening the financial stability and resilience of the entity in the context of the banking sector.

• Transition risks

The transition risks derived from climate change are configured as those potential impacts associated with the process of adaptation towards a low-carbon economy, more efficient in the use of resources and aligned

with the sustainability objectives established at the international level. This transition can be driven by regulatory, technological, market and reputational changes, with the capacity to affect the economic environment, business models, customer behavior and the valuation of certain assets.

In this context, the identification, assessment and early management of transition risks is essential to strengthen the Entity's resilience, ensure its progressive adaptation to the new demands of the environment and contribute to prudent, responsible and sustainable management of its activity.

Social (S)

The "S" for society considers factors such as labor practices, diversity, safety, impact on communities, etc. A strong focus in these areas, in addition to reducing risk, also contributes to a positive reputation and long-term sustainability.

Corporate Governance (G)

The "G" for governance refers to the company's corporate governance, the composition of the Board of Directors, and the transparency policies and codes of conduct implemented, playing a crucial role in promoting ethical and transparent business practices.

11. Strategic risk

11.1 Annual evolution

The implementation of a business plan has continued, which establishes measures and policies aimed at progressively increasing the generation of recurring income through the entity's core business with the aim of improving profitability.

The plan to reduce non-performing assets is a key element for the success of the entity's business plan. The sale of the portfolio of non-performing assets, together with the sale of the portfolio in Greece, have contributed to the improvement of the NPL ratio and a stronger balance sheet structure. However, these transactions have had an impact on earnings of €-40 million and €-30 million, respectively.

In addition, the progressive increase in absolute and relative terms of new performing assets, with lower RWAs, as well as prudence in risk management, should bring UCI, once the NPA reduction targets have been achieved, in line with the performance of the new portfolios originated from 2012 onwards.

Related to the business model and profitability, measures and policies have continued to be implemented that allow the generation of recurring income to be progressively increased through its core business in order to improve its future profitability and solvency. Among the measures are:

- Production for 2025 reached an expected ROE of 13.7%, calculated based on a regulatory CET1 of 10.5% (12% since July 2024).
- Production originating since 2012 has obtained an ROE of 14% based on a regulatory CET1 of 10.5%. The weight of this portfolio stood at ~46% of the total at the end of 2025.
- It can be concluded that the new portfolio created by UCI since 2012 presents an adequate return and is aligned with the profitability objectives established by UCI's shareholders, and that they represent a ROE of 14% on a regulatory CET1 of 10.5%.
- In 2025, the Entity carried out various actions aimed at strengthening the culture and disseminating the criteria of profitability and risk, making them a central axis of sustainable management. The improvement in customer credit quality has resulted in very low NPL+90d ratios for new production \geq 2012 of 0.54%.
- The Entity's strategy has resulted, among other aspects, in the fact that most of the new production since 2012 has been at a fixed rate and is adequately hedged by hedging derivatives that will allow it to maintain its high margin (>120bp), being protected against scenarios of interest rate hikes.

- The conversion of AT1's instruments into capital amounting to €82M, carried out in 2024, as well as the optimization of Tier 2 instruments (subordinated debt), will also contribute to the improvement of the UCI Group's financial margin.
- At the same time, UCI has carried out ambitious plans to adjust its resources in relation to its OPEX (contained in 2025 and -11.4% in 2024, including personnel costs).

11.2 Strategic risk management

Strategic risk is defined as losses or damage arising from strategic decisions, or their poor implementation, that affect the long-term interests of the UCI's main stakeholders, or from an inability to adapt to the evolving environment. Its management is transversal to the entire organization and is closely linked to other risks that, although having a non-strategic origin, can generate a significant impact on the Entity's business model and strategy.

This risk is analyzed considering the correct definition of the business model and strategy, together with its transposition in the identification of the strategic axes and lines, associated with the selection of the projects to be developed to achieve the strategic objectives proposed and deployed in the functional plans.

12. Remuneration

Unión de Créditos Inmobiliarios, S.A. E.F.C., is a financial credit institution that is subject to Law 5/2015, of 27 April, on the promotion of business financing ("LFFE") and Royal Decree 309/2020, which develops the legal regime applicable to CFEs and consolidated groups or subgroups of CFEs with a parent company in Spain.

The Royal Decree 309/2020 expressly establishes that EFCs will be governed, among others, by the rules on remuneration policy provided for credit institutions in Chapter V of Title I of Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions ("LOSS") and in its implementing regulations.

In this regard, the LOSS develops a series of principles that credit institutions and, by virtue of their regulatory reference, CFEs, must comply with when setting and applying the global remuneration policy, and in particular that applicable to categories of staff whose professional activities have an impact on the institution's risk profile ("Identified Staff"). all in a manner and to a measure commensurate with its size, its internal organization and the nature, scope and complexity of its activities.

In compliance with the above, UCI has a remuneration policy (the "Remuneration Policy" or the "Policy") in order to guarantee remuneration practices compatible with the Entity's adequate and effective risk management.

a. Nomination and Compensation Committee

The Board of Directors has a Nomination and Remuneration Committee (NRC), which, in its supervisory role, facilitates the development and implementation of a sound internal governance framework, the composition, structure and functions of which are determined in the Regulations of the Board of Directors, which stipulate the following:

Article 10. The Nomination and Compensation Committee

1. An Appointments and Remuneration Committee will be set up within the Board of Directors, consisting of three directors who do not perform executive functions in the Company.
2. One of the three directors who make up the Nomination and Remuneration Committee must be an independent director and will assume the chairmanship of the Nomination and Remuneration Committee.
3. The members of the Appointments and Remuneration Committee shall be appointed by the Board of Directors taking into account the knowledge, skills and experience of the directors and the tasks of the Committee.

Article 11. Powers of the Nomination and Remuneration Committee

1. *In matters of appointments.* Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the Appointments and Remuneration Committee shall perform the following functions in matters of appointments:

- (a) To identify and recommend, with a view to approval by the Board of Directors or by the General Meeting of Shareholders, candidates filling the vacant seats on the Board of Directors.
- (b) Establish a representation target for the underrepresented gender on the Governing Body and develop guidance on how to increase the number of people of the underrepresented gender with a view to achieving that target.
- (c) Assess the balance of knowledge, ability, diversity and experience of the Governing Body and develop a description of the functions and skills required for a particular appointment, assessing the expected time commitment to the performance of the position.
- (d) To evaluate periodically, and at least once a year, the structure, size, composition and performance of the Board of Directors, making recommendations to it, with respect to possible changes.
- (e) To evaluate periodically and at least once a year the suitability of the various members of the Board of Directors and of the Board as a whole, and to report to the Board of Directors accordingly.
- (f) Periodically review the policy of the Board of Directors regarding the selection and appointment of members of senior management and make recommendations to it.
- (g) Any others provided for in these Regulations or in the applicable regulations.

In carrying out its appointments tasks, the Nomination and Remuneration Committee takes into account, as far as possible and on an ongoing basis, the need to ensure that the decision-making of the Board of Directors is not dominated by one individual or a small group of individuals in such a way as to prejudice the interests of the Company as a whole.

2. *In terms of remuneration.* Without prejudice to any other duties that may be assigned to it at any time by the Board of Directors, the Appointments and Remuneration Committee shall perform the following functions in terms of remuneration:

- (a) To propose to the Board of Directors decisions relating to remuneration, including those with implications for the Company's risk and risk management. It shall inform on the general remuneration policy for members of the Board of Directors, Chief Executive Officer or equivalent, senior managers responsible for the risk function and those with compliance responsibilities, as well as other members of the identified staff (as defined under the applicable regulations), ensuring its proper observance.
- (b) Any others provided for in these Regulations or in the applicable regulations.

3. The Committee may use the resources it deems appropriate for the performance of its functions, including external advice, and shall receive appropriate funds for this purpose.

4. The Committee shall meet as many times as it is convened by agreement of the Committee itself or its Chairman and at least once a year. It shall also meet whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals.

5. The Committee shall be validly constituted when half of the directors who are part of it are present, present or represented, and shall adopt its resolutions by a majority of the attendees, present or represented.

Annual Information

At the end of the 2025 financial year, this Committee was composed of three Directors, one for each shareholder and one independent Director. It has met five times.

The details of the composition of the Appointments and Remuneration Committee can be found in [Annex I](#) to this document.

b. General principles of remuneration policy

Principle of proportionality

Article 32.1 of the LOSS includes the possibility for remuneration requirements to be applied to credit institutions to an extent commensurate with their size, their internal organization and the nature, scope and complexity of their activities.

To this end, CRD V introduces objective thresholds beyond which credit institutions can neutralize certain adjustments to the variable remuneration of the Identified Group. These thresholds are those that have been included in the LOSS, after the modification made by Royal Decree-Law 7/2021. Notwithstanding the foregoing, the Banco de España may, by means of a Circular, reduce the thresholds.

In accordance with the foregoing, the Board of Directors, at the proposal of the CNR, may exempt the application of the requirements provided for in Article 7.4.6, as well as the requirement of retention of 5 years relating to discretionary pension benefits contemplated in Article 7.4.10 of the Policy, when it understands that, taking into account the size, internal organization and nature, the scope and complexity of the Entity's activities, the conditions are met to apply the principle of proportionality.

In particular, the requirements relating to the deferral and payment in shares or instruments of the variable remuneration granted to members of the Identified Staff shall not apply in any of the following circumstances:

- When UCI is not considered a large entity, as defined in Article 4(1)(146) of Regulation 575/2013, and the value of its assets is, on average and individually, in accordance with LOSS and Regulation 575/2013, equal to or less than €5,000 million during the four-year period immediately preceding the current financial year;
- When the annual variable remuneration of a member of the identified group does not exceed 50,000 euros and does not represent more than one third of their total annual remuneration.

If the above thresholds are subject to modification, because of any regulatory change, UCI will apply the threshold or, where appropriate, the thresholds that are in force at any given time.

The application of the principle of proportionality does not exempt the members of the Identified Staff from complying with the general principles and the rest of the requirements established for variable remuneration in this Policy (i.e. malus and claw back clauses, and limitation of the variable remuneration ratio to fixed remuneration).

Balance of remuneration components (variable remuneration ratio to fixed remuneration)

The fixed and variable components are balanced in such a way that the fixed component represents a sufficiently high proportion of total remuneration, to prevent professionals from relying excessively on the variable components (thus reducing potential conflicts of interest) and to allow the Entity to use a completely flexible incentive policy. which includes the possibility of not paying any variable remuneration component.

The variable remuneration of the members of the Identified Staff may not exceed 100 per cent of the fixed components of the total remuneration of each of them, unless the UCI General Shareholders' Meeting approves to increase this percentage to a maximum limit of 200 per cent, following the procedures provided for in the LOSS.

Absence of personal hedging strategies

Members of the Identified Staff agree not to use any personal coverage strategy or any compensation and liability-related insurance that undermines the risk-adaptation effects implicit in their remuneration system.

c. Description of the identified group

The determination of the Entity's professionals who must be part of the Identified Staff is carried out in accordance with the provisions of Delegated Regulation 2021/923.

Delegated Regulation 2021/923 lays down specific criteria for the identification of people whose professional activities have a significant impact on the risk profile of credit institutions. In accordance with the provisions of said Regulations, the process of identifying the members of the Identified Staff is based on a combination of qualitative criteria (for which the type of activity carried out by its staff at any given time will be taken into account, as well as the areas where they provide services) and quantitative criteria.

In accordance with the above, in general terms, the Identified ICU Collective is mainly composed of the following professional categories:

- Members of the Board of Directors.
- Members of the Management Committee.
- Holders of control functions (risks, regulatory compliance and internal audit).
- Other professionals whose professional activities have a significant impact on the Entity's risk profile

Annual Information

As of December 31, 2025, the Identified Collective was made up of 19 members, of which 6 were members of the administrative body, 13 members of senior management.

d. Qualitative information on the remuneration of the identified group

COMPONENTS OF REMUNERATION

Fixed remuneration

Fixed annual remuneration or gross annual salary is the basic element of the Remuneration Policy. This concept is essentially linked to the characteristics of the positions held, such as, among others, (i) their organizational relevance, (ii) the impact on results, (iii) the scope of responsibility assumed and (iv) experience.

The fixed annual remuneration is determined according to the remuneration bands defined for each position. Bands establish a space in which people have a path to progress, so that their professional development is linked to the development of their remuneration, being designed so that people join the bands at their point of entry and progressively move up in them, to the extent that their performance meets expectations.

Variable Remuneration

Variable remuneration is the remuneration received by employees that varies depending on the degree of achievement of previously defined objectives.

This will be determined based on the risk profile and the incentive for good conduct, in addition to promoting the Group's culture and compliance with internal regulations to avoid conflicts of interest. It can be reviewed periodically and is subject to the criteria of the Human Resources Committee, depending on the budgetary availability of UCI, the priorities of the Action Plan, the remuneration package of each employee, etc.

Subsistence allowance for attendance at meetings of the Governing Body

There are certain UCI professionals who, even if they are not part of the Board of Directors, may receive remuneration and/or allowances for their attendance at Board meetings.

Social Benefits

ICU professionals can receive certain social benefits.

Among the social benefits that can be part of the remuneration package for ICU professionals are loans, life insurance and health insurance. For certain professional categories, UCI offers the award of renting a vehicle, or a permanent advance on expenses.

The Entity may review the social benefits, eliminating some or including new ones, with respect to the labor regulations, the applicable agreement and the UCI Remuneration Policy in force at any time.

In no case may the total remuneration in kind received by a professional exceed 30 per cent of his or her total salary receipts, nor may it lead to a reduction in the full amount of the minimum wage in money.

Compensation Policy Measures to Avoid Conflicts of Interest

The Entity adopts measures to avoid conflicts of interest when defining the structure of the organization and any possible changes that may occur to it.

The Human Resources Department seeks advice from the Legal and Compliance Department and the risk management area to verify that the Remuneration Policy complies with the requirements of MiFID and the other regulations on rules of conduct and conflicts of interest. In this regard, the Remuneration Policy has the following characteristics:

- The possibility of generating incentives that may encourage competent people to put their interests (or those of the Entity) before those of customers is prevented.
- The remuneration system has a balanced and efficient relationship between the fixed and variable components where the fixed component constitutes a sufficiently high part of the total remuneration to prevent professionals from relying excessively on the variable components.
- The remuneration system is flexible so that the application of the Policy allows for the possibility of not paying any variable remuneration.
- There is no direct link between remuneration and the sale of certain financial instruments or specific categories of products.

Principles applicable to Customer Care Services (SAC)

In accordance with the Guide on the criteria for the organization and customer services of institutions supervised by the Banco de España, the methods used to determine, where appropriate, the variable remuneration of the owner of the customer care services ("SAC") and the staff assigned to this service, must not compromise the objectivity of the SAC holder or staff or their independence.

In this sense, the parameters considered should not depend on, or be predominantly linked to, the objectives and performance of the business units they supervise, or other circumstances that may generate conflicts of interest.

The body or position that sets the objectives of the SAC and evaluates its performance should not be responsible for managing business units.

REQUIREMENTS APPLICABLE TO MEMBERS OF THE IDENTIFIED GROUP

Performance measurement

The members of the Identified Staff have a variable remuneration system consisting of an Individual Bonus and an Annual Team Bonus that consider:

- The achievement of the budgeted objectives.
- The level of actual achievement of the objectives.
- Compliance with policies and procedures both at the area level and at the individual level through the assessment of the contribution of the department and the staff

The CNR will determine, where appropriate, whether the circumstances described have been met and the remuneration that, if any, should be reduced. When the person belonging to the Identified Collective affected is a director who is directly dependent on the Board of Directors or any of its members, this decision will correspond to the Board of Directors, at the proposal of the CNR.

Deferral and payment in shares or instruments

60 per cent of the variable remuneration will be paid immediately on the date scheduled for the generality of ICU employees. The remaining 40 per cent of the variable remuneration will be deferred for a period of four years, being paid, at the rate of one quarter, on each of the four anniversaries following the General Payment Date, in accordance with the following schedule:

- A fourth, on the first anniversary of the General Pass Date.
- A fourth, on the second anniversary of the General Pass Date.
- A fourth, on the third anniversary of the General Pass Date.
- A fourth, on the fourth anniversary of the General Subscription Date.

During the deferral period, the deferred remuneration will not be received more quickly than proportionately.

A substantial part, specifically 50 per cent, of the variable, deferred and non-deferred remuneration element, will be paid for by instruments linked to the evolution of the value of the Entity's equity over a 4-year cycle, in order to link the variable remuneration with the positive or negative results of the Company.

The instrument that is delivered as part of the variable remuneration, both deferred and non-deferred, will be subject to a retention period of one year from its delivery, during which it will be unavailable and cannot be transferred.

Guaranteed variable remuneration

The members of the Identified Staff will not receive any type of guaranteed variable remuneration. However, its convenience could be considered exceptionally in the case of hiring new professionals, and provided that the Entity has a healthy and solid capital base and its application is limited to the first year of validity of the contract.

Control Functions

The remuneration of the members of the Identified Staff who perform control functions will be based on receipt of the annual fixed remuneration, established according to the level of responsibility, assigned functions, experience and skills of the professional.

If staff members who perform control functions participate in the Entity's variable remuneration systems, they will be compensated according to the achievement of the objectives linked to their functions, regardless of the results of the business areas they control and supervise.

Reduction (malus) and recovery clauses (clawback)

Variable remuneration, including the deferred part, will be paid only if it is sustainable in accordance with the situation of the UCI, and if it is justified based on the results of the Entity, the business unit and the performance of the employee concerned.

The Board of Directors, at the proposal of the CNR, will be responsible for determining the application of the reduction (malus) and recovery (clawback) clauses, as well as the amount that, if any, must be reduced or returned to the Entity, considering the characteristics and circumstances of each case.

Variable remuneration reduction clause (malus)

The deferred variable remuneration that is pending payment may be reduced to 100 per cent of it, if during the deferral period, any of the following circumstances occur:

1. If the objectives set for the net profit of the ICU are not met, at least 70 per cent.
2. When there is evidence of a very serious and noticeable decrease in financial performance by the corresponding business unit, in such a way that it does not reach 70 per cent of the budgeted results.
3. If the level of solvency or liquidity, or both, is below the limit set in the Risk Appetite Framework approved by the Board of Directors.
4. In the event of significant and very serious failures in risk management by the Entity or the corresponding business unit, due to non-compliance by the beneficiary with internal regulations.
5. Significant increase in the capital needs of the Entity or business unit in which the person belonging to the Identified Collective carries out his or her activity, not foreseen at the time of generating the exposures, if they are not due to regulatory changes.
6. Material restatement of the Group's financial statements, when considered so by the external auditors, if it significantly affects equity or the result of the year.
7. If any of the following circumstances occur:
 - (i) Replacement of directors agreed by the Bank of Spain.
 - (ii) A fraudulent action by the person belonging to the Identified Collective.
 - (iii) The occurrence of circumstances that determine the disciplinary dismissal of the person belonging to the Identified Collective in accordance with the applicable labor regulations or, in the case of a director, the occurrence of circumstances that give rise to their termination from the position of director due to the breach of their duties, the performance of any action or omission that causes damage to the Entity, or the concurrence of the necessary prerequisites for the Entity to be able to exercise the corporate liability action against it.
 - (iv) That the person belonging to the Identified Collective has caused serious damage to the Entity, through faults or negligence.
 - (v) Regulatory sanction or judicial conviction received by the person belonging to the Identified Collective or by UCI for acts that could be attributable to the unit for which said person is or has been responsible when the events occurred.
 - (vi) Sanction received by the person belonging to the Identified Collective for proof of misconduct or serious error (i.e. breach of the code of conduct that especially affects risks).
 - (vii) Existence of negative effects derived from the marketing of inappropriate products and the person belonging to the Identified Group or the body to which he or she belongs has been responsible for making such decisions.

In any case, the reduction in variable remuneration will occur whenever a requirement or recommendation by the competent authority to the Entity to restrict its dividend distribution policy is in force.

Variable remuneration recovery clause (*clawback*)

The variable remuneration already paid to the members of the Identified Staff may be subject to clawback, partial or total, when during the three years immediately following its payment it becomes apparent that the collection was not, in whole or in part, in accordance with the conditions established for its accrual or took place on the basis of information whose falsity or inaccuracy is subsequently proved, or when any of the situations described in the previous malus clauses have been detected, having produced the payment of the variable remuneration.

Under these assumptions, UCI will require the person belonging to the Identified Collective to reimburse, in whole or in part, the variable remuneration or even to offset said refund against other remuneration of any nature that they are entitled to receive.

The Board of Directors, at the proposal of the CNR, will be responsible for determining the application of the reduction clauses (malus) and recovery (clawback), as well as the amount that, if any, must be reduced or returned to the Entity, taking into account the characteristics and circumstances of each particular case.

Discretionary Pension Benefits

In accordance with the provisions of the LOSS and Circular 2/2016, the pension policy of the Identified Staff will be compatible with UCI's business strategy, objectives, values and long-term interests.

In the event that, at any time, the Entity includes, at a minimum, executive directors, chief executive officers and equivalent staff, as defined under the applicable regulations, as members of the Identified Staff and as beneficiaries of pension schemes classified as discretionary pension benefits, a significant portion of the contributions made to pension commitments, which shall not be less than 15%, shall be variable in nature and shall be subject to the same requirements applicable to the variable remuneration of the Identified Staff.

When the member of the Identified Staff leaves the Entity because of retirement or previously for any other reason, discretionary pension benefits will be subject to a retention period of five years, counted from the date on which he or she ceases to provide services in the Entity for any reason.

The Entity will apply the same requirements for reduction and recovery clauses during the retention period.

However, the 5-year retention period provided for in this article will not apply in those cases in which the requirements for applying the principle of proportionality are met.

Payments for early termination of contract

Termination payments for members of the Identified Staff will be related to the performance recorded during their period of activity and will be designed in such a way that they do not reward bad results or misconduct.

Payments for termination of the contract will be considered variable remuneration and, therefore, the adjustments provided for this type of remuneration will be applied to them.

Notwithstanding the foregoing, there are certain cases of payments for early termination that will not be subject to the adjustments of deferral, payment in instruments and limitation of the variable remuneration ratio with respect to fixed remuneration. These cases are as follows:

- a) Severance payments that are mandatory under national labour law, or mandatory after a court decision.
- b) Compensation corresponding to additional amounts due in application of a non-compete clause established in the contract that are paid in future years up to a maximum of the amount of fixed remuneration that would have been paid in the non-compete period if the staff were still employed, when the Entity is able to demonstrate the reasons and the adequacy of the amount of the severance pay.
- c) Compensation calculated using an appropriate generic formula previously defined in the remuneration policy (in the cases referred to in paragraph 167 of the EBA Guide) where the Entity is able to demonstrate the reasons and the adequacy of the amount of severance pay.

- d) Compensation in the cases referred to in paragraph 167 of the EBA Guide when it is not calculated using a generic formula defined in the remuneration policy, but the Entity has demonstrated to the competent authority the reasons and the adequacy of the amount of the severance pay.

Considering risks

The variable remuneration received by the members of the Identified Staff guarantees a correct correlation with the entity's results, including those related to the measurement of risk management and the solvency of the entity.

This variable remuneration will be based on an ideal range of quantitative metrics that evaluate the fulfillment of objectives and on qualitative factors related to compliance with supervisory and corporate social responsibility requirements. Likewise, they must be consistent with the management of present and future risks, in addition to being aligned with the strategic objectives of the entity and shareholders. The review of compliance with objectives will include the review of the impact of inspections and supervisory decisions, as well as judicial or administrative decisions that show bad practices or control failures.

The assumption of financial risks is an intrinsic part of UCI's business and must be measured, managed and controlled to maximize the risk-adjusted profitability assumed by the entities.

In this regard, the main risk to which the Group is subjected in its activity is basically credit risk.

In this sense, variable remuneration systems have specific risk management metrics, among which is the control of late payments and collection management as the most relevant. The Appointments and Remuneration Committee will take them into special consideration in the liquidation proposal.

Variable remuneration greater than 100% of the fixed remuneration

The approval of a variable remuneration greater than 100% of the fixed remuneration for the Identified Collective was not applicable to the variable remuneration accrued in 2025.

e. Quantitative information on the remuneration of the identified group

Aggregated quantitative information on remuneration paid during the preceding financial year to members of the remuneration supervisory body

The Board of Directors is the highest decision-making body and guarantor of the application of the remuneration policy.

In carrying out this function, the Board of Directors relies on the Appointments and Remuneration Committee, which assists the Board of Directors in matters of a remuneration nature attributed to it in the Regulations of the Board of Directors.

Aggregated quantitative information on remuneration

The remuneration paid to the identified group to which the current regulatory provisions on remuneration apply during the 2025 financial year are detailed below.

R_02.00 Additional information on the remuneration of the identified group	Supervisory function of the administrative body (0010)	Management function of the administrative body (0020)	Other members of senior management (0090)	Other identified group (0100)
Number of persons receiving contributions to discretionary pension benefits in year N (0240)	0,00	0,00	0,00	0,00
Total amount of contributions to discretionary pension benefits (in euro) in year N (including other variable remuneration modalities) (0250)	0,00	0,00	0,00	0,00
Total amount of variable remuneration granted over multi-year periods under programmes that are not renewed annually (in euros) (0260)	0,00	0,00	0,00	0,00
For entities that do not benefit from the derogation provided for in Article 94(3)(a) of Directive 2013/36/EU by type of entity Total amount of variable remuneration of identified staff members benefiting from at least one of the exceptions provided for in Article 94(3), point (b) of Directive 2013/36/EU, based on a low level of variable remuneration (0270)	0,00	0,00	230.669,00	0,00
For entities that do not benefit from the derogation provided for in Article 94(3)(a) of Directive 2013/36/EU by type of entity Total amount of fixed remuneration of identified staff members benefiting from at least one of the exceptions provided for in Article 94(3), point (b) of Directive 2013/36/EU, based on a low level of variable remuneration (0280)	92.000,00	0,00	1.371.508,53	0,00

Data in euros

R_03.00 - Remuneration of EUR 1 million or more per year [8303]	Remuneration: Salary bands in euros (0010)	Staff identified as being highly paid in accordance with Article 450(i) of the CRR (0020)
	0,00	0,00

Data in euros

R_05.00 - Derogations from the application of the payment requirements for parts of deferred variable remuneration and in instruments under Directive 2013/36/EU [8305]	Exceptions by type of entity provided for in Article 94(3)(a) of the CRD (0010)	Exceptions for the identified group provided for in Article 94(3)(b) of the CRD (0020)
Does the entity apply the exceptions relating to the requirement to pay a portion of deferred variable remuneration and in instruments under Article 94(3)(a) of the CRD to all of its identified staff? If you answered 'yes' to this question, you do not need to provide the information below. (0010)	No	
Does the institution apply the exception to the requirement set out in Article 94(1)(l) of the CRD (payment in instruments)? (0020)	No	Yes
If the institution applies the above derogation, but with a lower threshold as laid down in national law, indicate the threshold applied in euros. (0030)		
Number of identified staff members benefiting from the above exception (0040)	0,00	18,00
Percentage of identified personnel benefiting from the above exception (0060)	0,00	94,74
Total remuneration of identified personnel benefiting from the previous exception (0070)	0,00	1.694.177,53
Of which: variable remuneration (0080)	0,00	230.669,00
Of which: fixed remuneration (0090)	0,00	1.463.508,53
Does the institution apply the exception to the requirement set out in Article 94(1)(m) of the CRD (payment under deferral agreements)? (0100)	No	Yes
If the institution applies the above derogation, but with a lower threshold as laid down in national law, indicate the threshold applied in euros. (0110)		
Number of identified staff members benefiting from the above exception (0120)	0,00	18,00
Percentage of identified personnel benefiting from the above derogation (0130)	0,00	94,74
Total remuneration of the identified group benefiting from the previous exception (0140)	0,00	1.694.177,53
Of which: variable remuneration (0150)	0,00	230.669,00
Of which: fixed remuneration (0160)	0,00	1.463.508,53
Does the institution apply the exception to the requirement set out in point (o) of the second subparagraph of Article 94(1) (exceptions relating to payment in discretionary pension benefit instruments)? (0170)	No	No
Number of members of the identified group benefiting from the above derogation (0180)	0,00	0,00
Total remuneration of the identified group benefiting from the previous exception (0190)	0,00	0,00
Of which: variable remuneration (0200)	0,00	0,00
Of which: fixed remuneration (0210)	0,00	0,00

Data in euros

R_09.00 - Remuneration granted in respect of the year [8309]	Supervisory function of the management body (0010)	Management function of the management body (0020)	Other members of senior management (0030)	Other Personnel Identified (0040)
Fixed Remuneration (0005)				
Number of staff members identified (0010)	6,00	0,00	13,00	0,00
Total Fixed Remuneration (0020)	92.000,00	0,00	1.634.221,32	0,00
Of which: Cash (0030)	92.000,00	0,00	1.634.221,32	0,00
Of which: shares or equivalent ownership interests (0040)	0,00	0,00	0,00	0,00
Of which: instruments linked to shares or equivalent non-pecuniary instruments (0050)	0,00	0,00	0,00	0,00
Of which: other instruments (0060)	0,00	0,00	0,00	0,00
Of which: other modalities (0070)	0,00	0,00	0,00	0,00
Variable Remuneration (0075)				
Number of staff members identified (0080)	0,00	0,00	13,00	0,00
Total variable remuneration (0090)	0,00	0,00	305.669,00	0,00
Of which: Cash (0100)	0,00	0,00	268.169,00	0,00
Of which: deferred (0110)	0,00	0,00	15.000,00	0,00
Of which: shares or equivalent ownership interests (0120)	0,00	0,00	0,00	0,00
Of which: deferred (0130)	0,00	0,00	0,00	0,00
Of which: instruments linked to shares or equivalent non-pecuniary instruments (0140)	0,00	0,00	37.500,00	0,00
Of which: deferred (0150)	0,00	0,00	0,00	0,00
Of which: other instruments (0160)	0,00	0,00	0,00	0,00
Of which: deferred (0170)	0,00	0,00	0,00	0,00
Of which: other modalities (0180)	0,00	0,00	0,00	0,00
Of which: deferred (0190)	0,00	0,00	0,00	0,00
Total Compensation (0200)	92.000,00	0,00	1.939.890,32	0,00

Data in euros

R_10.00 - Special payments to staff whose professional activities have a significant impact on the risk profile of the entity (identified staff) [8310]	Supervisory function of the management body (0010)	Management function of the management body (0020)	Other members of senior management (0030)	Other Personnel Identified (0040)
Guaranteed variable remuneration granted (0005)				
Guaranteed variable remuneration granted — Number of identified staff members (0010)	0,00	0	0,00	0
Guaranteed variable remuneration granted — Total amount (0020)	0,00	0	0,00	0
Of which: guaranteed variable remuneration granted paid during the financial year that is not taken into account in the limitation of premiums (0030)	0,00	0	0,00	0
Severance payments granted in previous periods and paid during the financial year (0035)				
Severance payments granted in previous periods and paid during the financial year — Number of staff members identified (0040)	0,00	0	0,00	0
Severance payments granted in previous periods and paid during the financial year — Total amount (0050)	0,00	0	0,00	0
Severance payments granted during the financial year (0055)				
Severance payments granted during the financial year — Number of identified staff members (0060)	0,00	0	0,00	0
Severance payments granted during the financial year — Total amount (0070)	0,00	0	0,00	0
Of which: paid during the financial year (0080)	0,00	0	0,00	0
Of which: deferred (0090)	0,00	0	0,00	0
Of which: severance payments paid during the financial year which are not taken into account in the limitation of premiums (0100)	0,00	0	0,00	0
Of which: highest compensation awarded to a single person (0110)	0,00	0	0,00	0

Data in euros

Total remuneration accrued by each of the members of the Board of Directors

Bank of Spain Circular 2/2016 of 2 February. -Rule 60.I.ii

The total remuneration earned by each of the members of the board of directors of Unión de Créditos Inmobiliarios S.A. Establecimiento Financiero de Crédito in the last financial year is detailed below, with an individualized breakdown by remuneration concepts; all in the terms provided for in Article 37 of Royal Decree 84/2015 and, to the extent applicable, Article 450.1.h) of Regulation (EU) No 575/2013.

FY2025

Counselor (1)	FIXED REMUNERATION	VARIABLE REMUNERATION	DIETS	TOTAL REMUNERATION
Mr. Matías Rodríguez Inciarte (2)	42.000	-	-	42.000
D. Michel Falvert	-	-	-	-
D. Eric Henri Klesta	-	-	-	-
Mr. Sergio Tomás Gámez Martínez (3)	-	-	-	-
D. Jean François Georges Marie Deullin <i>(Independent Director)</i>	15.000	-	10.000	25.000
Mr. Eduardo Suárez Álvarez-Novoa <i>(Independent Director)</i>	15.000	-	10.000	25.000
TOTAL	72.000	-	20.000	92.000

Data in euros

- (1) Directors with a position in force on December 31, 2025. Ms. Remedios Ruiz Maciá has not been a Director since January 10, 2025.
- (2) The remuneration of Mr. Matías Rodríguez Inciarte is assigned to U.C.I., S.A (UCI Group)
- (3) Mr. Sergio Tomás Gámez Martínez has been a Director since March 28, 2025.

ANNEX I. Composition of the Board of Directors and Committees

Composition as at 31 December 2025.

The **Board of Directors** is composed of the following members:

Mr. Matías Pedro Rodríguez Inciarte	President and Proprietary Director
D. Michel Falvert	Proprietary Counselor
Mr. Sergio Tomás Gámez Martínez	Proprietary Counselor
D. Eric Henri Klesta	Proprietary Counselor
D. Jean François George Marie Deullin	Independent Director
Mr. Eduardo Suárez Álvarez-Novoa	Independent Director

Committees of the Board of Directors

- Nomination and Compensation Committee

D. Jean François George Marie Deullin	President
D. Michel Falvert	Member
Mr. Matías Pedro Rodríguez Inciarte	Member

- Independent Audit and Risk Committee

D. Jean François George Marie Deullin	President
Mr. Eduardo Suárez Álvarez-Novoa	Member
D. Michel Falvert	Member

ANNEX II. Additional information on liquidity and funding risk

LC_01.00 - Liquidity Buffer - Liquid Assets	GROUP		
	Amount/Market Value (0010)	Applicable Weighting (0030)	Value in accordance with Article 9 of RD 2015/61 (0040)
TOTAL LIQUID ASSETS UNADJUSTED (0010)	351,41	100%	351,41
Tier 1 Asset Total1 Unadjusted (0020)	351,41	100%	351,41
Cash and cash equivalents (0030)	315,07		315,07
Coins & Banknotes (0040)	0,00	100%	0,00
Central Bank Assets (0060)	315,07	100%	315,07
Deposits with credit institutions eligible as Tier 1 liquid assets (0211)	36,33	100%	36,33
Demand or time deposits with a residual maturity of 30 calendar days or less (0212)	36,33	100%	36,33

Data in millions of euros

LC_02.00 - Liquidity Buffer - Outputs	GROUP		
	Imports	Standard weighting Applicable weighting	Departure
Departures (0010)	750,46		330,94
Outflows from unsecured transactions (0020)	750,46		330,94
Committed Lines (0460)	105,69		5,28
Lines of Credit (0470)	105,69		5,28
To Minority Customers (0480)	105,69	5%	5,28
Other Products & Services (0720)	0,22		0,22
Items payable for derivatives (0850)	0,22	100%	0,22
Other liabilities and enforceable commitments (0885)	644,55		325,44
Operating expenses and liabilities resulting therefrom (0891)	6,32	100%	6,32
Unsecured Loans (1500)	638,23		319,12
Unsecured loans from credit institutions or other group undertakings that meet the requirements of Rule 11 (2) with the exception of point (d) (1502)	638,23	50%	319,12

Data in millions of euros

LC_03.00 - Liquidity Buffer - Inputs	GROUP			
	Imported (0009)	Applicable Weighting (0079)		Entry (0139)
	Inputs from activities subject to a minimum liquidity buffer of 10 % of gross outputs (0011)	Inputs from activities subject to a minimum liquidity buffer of 10 % of gross outputs (0081)	Inputs from activities subject to a minimum liquidity buffer of 5 % of gross outputs (0091)	Inputs from activities subject to a minimum liquidity buffer of 10 % of gross outputs (0141)
TOTAL ENTRIES (0010)	29,59			14,79
Receipts from unsecured transactions (0020)	29,59			14,79
Outstanding payments from non-financial customers (except central banks) (0030)	29,59			14,79
Other outstanding payments from non-financial customers (except central banks) (0050)	29,59	50%	50%	14,79

Data in millions of euros

LC_06.00.a - Structure of funding sources - Net stable funding required	2025 GROUP						
	Amount			Applicable Required Stable Funding Factor			Available stable funding (0070)
	Non-HQLA due to expiration		HQLA (0030)	Non-HQLA due to expiration		HQLA (0090)	
< 1 Year (0010)	≥ 1 Year (0020)	< 1 Year (0070)		≥ 1 Year (0080)			
STABLE FUNDING REQUIRED (0010)	2,71	8.702,42	222,97			6.460,65	
Stable Funding Required from Central Bank Assets (0020)			222,97				
HQLA and Cash Exposures (0030)			222,97				
Other exposures to central bank non-HQLA assets (0040)					100,00%		
Stable Liquid Asset Financing Required (0050)							
Tier 1 assets eligible for 0% valuation haircuts applicable for the purposes of the LCR (0060)							
Free of encumbrances or subject to encumbrances with a residual maturity of less than six months (0070)							
Subject to charges with a residual maturity of at least six months but less than one year (0080)						50,00%	
Subject to charges with a residual maturity of one year or more (0090)						100,00%	
Tier 1 assets eligible for valuation haircuts of 7% applicable for LCR purposes (0100)							
Free of encumbrances or subject to encumbrances with a residual maturity of less than six months (0110)						10,00%	
Subject to charges with a residual maturity of at least six months but less than one year (0120)						50,00%	
Subject to charges with a residual maturity of one year or more (0130)						100,00%	
Tier 2A assets eligible for valuation haircuts of 15 % applicable for LCR purposes and shares or units in CIUs eligible for valuation haircuts of 0-20 % (0140)							
Free of encumbrances or subject to encumbrances for a residual maturity of less than six months (0150)						20,00%	
Subject to charges with a residual maturity of at least six months but less than one year (0160)						50,00%	
Subject to charges with a residual maturity of one year or more (0170)						100,00%	
Tier 2B assets eligible for valuation haircuts of 25-35 % applicable for LCR purposes and shares or units in CIUs eligible for valuation haircuts of 30-55 % (0180)							
Free of encumbrances or subject to encumbrances for a residual maturity of less than one year (0190)						55,00%	
Subject to charges with a residual maturity of one year or more (0200)						100,00%	
Stable Funding Required of Securities Other Than Liquid Assets (0210)							
Free of encumbrances or subject to encumbrances for a residual maturity of less than one year (0220)				50,00%	85,00%		
Subject to charges with a residual maturity of one year or more (0230)				100,00%	100,00%		
Stable Loan Financing Required (0240)	2,71	7.705,50				5.564,13	
Non-financial loans (0250)	2,71	7.559,32				5.439,88	
Free of encumbrances or subject to encumbrances for a residual maturity of less than one year (0260)	2,71	5.301,32		40,00%	60,00%	3.181,88	
Subject to charges with a residual maturity of one year or more (0270)		2.258,00		100,00%	100,00%	2.258,00	
Loans to financiers (0280)							
Free of encumbrances or subject to encumbrances for a residual maturity of less than one year (0290)				40,00%	100,00%		
Subject to charges with a residual maturity of one year or more (0300)				100,00%	100,00%		
Products related to trade finance off-balance sheet items (0310)		146,18		50,00%	85,00%	124,25	
Stable Financing Required of Interdependent Assets (0320)							
Stable Financing Required of Assets Within a Group if Preferential Treatment Applies (0330)							

Stable funding required from contributions to the EEC default fund (0380)						
Stable Funding Required from Other Assets (0390)		891,23		100,00%	100,00%	891,23
Stable Funding Required for Off-Balance Sheet Items (0400)		105,69		0,00%	0,00%	5,28
Lines committed within a group if preferential treatment is applied (0410)						
Lines compromised (0420)		105,69		5,00%	5,00%	5,28
Trade Finance Off-Balance Sheet Items (0430)				10,00%	10,00%	
Unprofitable Trade Finance Off-Balance Sheet Items (0440)				100,00%	100,00%	
Other off-balance sheet exposures identified by competent authorities (0450)						

Data in millions of euros

LC_07.00 - Structure of funding sources - Net stable funding available	2025 GROUP				
	Imported (0005)		Applicable Stable Available Funding Factor (0045)		Available stable funding (0070)
	< 1 Year (0010)	< 1 Year (0010)	≥ 1 Year (0020)	≥ 1 Year (0020)	
STABLE FUNDING AVAILABLE (0010)	6.945,42	1.845,22			7.037,69
Stable financing available for equity items and instruments (0020)		566,36		100%	566,36
Stable funding available from other non-financial customers (except central banks) (0060)	66,41	1.261,73	50%	100%	1.294,93
Stable funding available and committed lines within a group, if preferential treatment applies (0080)	6.879,02	17,13	75%	100%	5.176,40
Stable funding available from financial customers and central banks (0090)				100%	
Stable funding available provided when counterparty cannot be determined (0100)				100%	
Stable Funding Available from Interdependent Liabilities (0110)					
Stable funding available from other liabilities (0120)				100%	

Data in millions of euros

ANNEX III. Additional information on credit risk

INFORMATION ON NON-DOUBTFUL AND DOUBTFUL EXPOSURES

FI_18-0.c Information on non-doubtful and doubtful exposures GROUP 2025	Maximum amount of security or personal security that can be considered (0198)	
	Collateral received and financial collateral received (0199)	
	Financial guarantees received on non-performing exposures (0205)	Financial guarantees received on doubtful exposures (0210)
DEBT INSTRUMENTS AT AMORTIZED COST (0180)	17,86	1,44
Loans & Advances (0070)	17,86	1,44
Non-financial corporations (0120)	0,08	
Of which: small and medium-sized enterprises (0130)	0,08	
Homes (0150)	17,78	1,44
Of which: loans secured by residential real estate (0160)	9,99	0,67
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (0201)		
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (0231)		
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (0330)	17,86	1,44
DEBT INSTRUMENTS HELD FOR SALE (0335)		
OFF-BALANCE SHEET EXPOSURES (0550)		

Data in millions of euros

FI_18-0.d Information on non-doubtful and doubtful exposures GROUP 2025	Maximum amount of security or personal security that can be considered (0198)	
	Collateral received and financial collateral received (0199)	
	Security rights received in non-performing exposures (0201)	Security rights received in respect of doubtful exposures (0200)
DEBT INSTRUMENTS AT AMORTIZED COST (0180)	7.256,30	614,84
Loans & Advances (0070)	7.256,30	614,84
Non-financial corporations (0120)	1,84	4,08
Of which: small and medium-sized enterprises (0130)	1,84	4,08
Homes (0150)	7.254,47	610,75
Of which: loans secured by residential real estate (0160)	7.254,46	610,75
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (0201)		
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (0231)		
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (0330)	7.256,30	614,84
DEBT INSTRUMENTS HELD FOR SALE (0335)		
OFF-BALANCE SHEET EXPOSURES (0550)	105,89	
Financial guarantees granted (0410)	105,89	
Homes (0470)	105,89	

Data in millions of euros

FI_18-1 Inputs and Outputs of Non-Performing Exposures - Loans and Advances by Sector - CFS 2025	Tickets to dubious exposures (0010)	(-) Questionable Exposure Exits (0020)
TOTAL INPUTS/OUTPUTS (0150)	69,27	-143,44
LOANS AND ADVANCES OTHER THAN THOSE HELD FOR TRADING OR FOR TRADING (0130)	69,27	-143,44
Non-financial corporations (0050)	0,04	
Of which: small and medium-sized enterprises (0060)	0,04	
Homes (0100)	69,23	-143,44
LOANS AND ADVANCES HELD FOR SALE (0140)		

Data in millions of euros

COMMERCIAL REAL ESTATE LOANS AND ADDITIONAL LOAN INFORMATION

FI_18-2.a Commercial Real Estate Loans and Additional Information on EFC 2025 Loans	Gross Book Amount (0010)						
	Of which: restructured or refinanced exposures (0020)	Not doubtful (0030)					Of which: non-performing exposures restructured or refinanced in a trial period reclassified from the category of doubtful exposures (0070)
		Unexpired or expired ≤ 30 days (0040)	Expired > 30 days ≤ 90 days (0050)	Of which: restructured or refinanced non-performing exposures (0060)			
Residential Real Estate Secured Loans (0070)	8.121,13	984,36	7.376,78	7.372,23	4,55	391,22	157,10
Of which: loans with a loan-to-collateral ratio greater than 60 % and less than or equal to 80 % (0080)	2.178,86	248,99	1.998,66	1.996,98	1,68	107,05	41,12
Of which: loans with a loan-to-collateral ratio greater than 80 % and less than or equal to 100 % (0090)	574,88	187,59	436,09	435,56	0,53	67,35	29,14
Of which: loans with a loan-to-collateral ratio greater than 100 % (0100)	430,16	238,88	220,69	220,65	0,04	58,17	31,89

Data in millions of euros

RESTRUCTURED AND REFINANCED EXPOSURES

FI_19.b - Restructured and refinanced exposures GROUP 2025	Accumulated impairment, accumulated changes in fair value due to credit risk and provisions (120)				
	Restructured or refinanced non-performing exposures - Accumulated impairment and provisions (130)	Restructured or refinanced non-performing exposures - Accumulated impairment, negative accumulated changes in fair value due to credit risk and provisions (140)			Refinances (160)
			Restructured instruments (150)		
DEBT INSTRUMENTS AT AMORTIZED COST (180)	-107,82	-8,19	-99,63	-84,17	-15,46
Loans & Advances (070)	-107,82	-8,19	-99,63	-84,17	-15,46
Homes (150)	-107,82	-8,19	-99,63	-84,17	-15,46
Of which: loans secured by residential real estate (160)	-103,81	-7,61	-96,20	-82,03	-14,17
DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (201)					
NON-TRADING DEBT INSTRUMENTS COMPULSORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (231)					
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (330)	-107,82	-8,19	-99,63	-84,17	-15,46
DEBT INSTRUMENTS HELD FOR SALE (335)					

Data in millions of euros

		Maximum amount of security or personal security that may be considered (168)	
		Collateral received and financial collateral received (169)	
		Financial guarantees received on restructured or refinanced exposures (180)	
FI_19.c - Restructured and Refinanced Exposures GROUP 2025		Of which: financial guarantees received on restructured or refinanced non-performing exposures (185)	
DEBT INSTRUMENTS AT AMORTIZED COST (180)	871,70	504,46	
Loans & Advances (070)	871,70	504,46	
Homes (150)	871,70	504,46	
Of which: loans secured by residential real estate (160)	871,70	504,46	
DEBT INSTRUMENTS OTHER THAN THOSE HELD FOR TRADING (330)	871,70	504,46	

Data in millions of euros

FI_19.d - Restructured and refinanced exposures GROUP 2025	Gross carrying amount / nominal amount of restructured or refinanced exposures (010)									Maximum amount of security or personal security that may be considered (168)
	Restructured or refinanced non-performing exposures (020)				Restructured or refinanced doubtful exposures (060)					Collateral received and financial collateral received (169)
	Restructured instruments (030)	Refinances (040)	Of which: non-performing exposures restructured or refinanced in a trial period reclassified from the category of non-performing exposures (050)	Restructured instruments (070)	Refinancing (080)	Of which: with non-payment (090)	Of which: with impairment (100)	Of which: restructuring or refinancing of non-performing exposures prior to such restructuring or refinancing (110)	Security rights received in restructured or refinanced exposures (170)	
									Of which: security rights received in restructured or refinanced non-performing exposures (175)	
Loan commitments granted (340)										

Data in millions of euros

ANNEX IV. Internal Control System for Financial Reporting

Internal control is the process carried out by the Board of Directors, senior management and the rest of the staff of Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito (UCI EFC).

The scope of application refers to the consolidated group of ICUs (hereinafter UCI Group, UCI or the entity). The objective is to provide a reasonable degree of assurance as to the achievement of the objectives related to transactions, reporting and compliance.

The methodology implemented by the entity is based on the standards of COSO 2013 – Integrated Internal Control Framework, which allows the organization to develop, effectively and efficiently, an internal control system that adapts to changes in the environment, mitigating risks to acceptable levels and supporting the entity's decision-making and corporate governance.

This Framework sets out three categories of objectives:

Operational objectives: refer to the effectiveness and efficiency of the entity's transactions, including financial and operational performance objectives and the protection of its assets against potential losses.

Reporting objectives: refer to internal and external financial and non-financial information and may cover aspects of reliability, timeliness, transparency or other concepts established by the regulator or by the entity itself.

Compliance objectives: refer to compliance with the laws and regulations to which the entity is subject.

The following areas of application are distinguished:

- Corporate: It will apply to the entire UCI Group, constituting a reference document for all the companies of the Group. It is articulated in such a way that the control functions exercised in the second and third lines of defense ensure a comprehensive vision of the Internal Control Framework from a consolidated perspective and that includes all companies, subsidiaries and branches.
- Objective: It considers the nature, scale and complexity of the risks inherent in the business model and the transactions carried out by each subsidiary, investee and branch company, as well as compliance with any applicable local regulations.
- Subjective: Applies to all employees, management team and members of the UCI Group's management body.

The Framework sets out a total of seventeen principles that represent the fundamental concepts associated with each of the five components. All of the principles are applicable to operational, reporting and compliance objectives.

The Internal Control System on Financial Reporting (ICFR) is the framework of internal processes and controls designed to ensure the accuracy and reliability of the organization's financial information. Its purpose is to mitigate risks, ensure regulatory compliance, and provide confidence to investors and other stakeholders.

For more information, please consult the UCI website, in the "Corporate governance and remuneration policy" space <https://uci.com/es/inversores/gobierno-corporativo/>

ANNEX V. Map of Articles of the CRR III Regulation

The following table references the articles of Part Eight of Regulation (EU) 2024/1623 (CRR III) of the European Parliament and of the Council amending Regulation (EU) 575/2013 (CRR) on disclosure of information to the different headings of the document detailing the information required. The IRP column indicates the exact section of Pillar 3 or another public document in which the information is fully or partially processed and may be distributed throughout the report in a more diluted manner.

Article	Short Description	IRP Localization
431. Scope of disclosure requirements		
431.1	Publication requirements for Pillar 3 disclosures.	Report with Prudential Relevance
431.2	Entities to which the competent authorities have assigned, in accordance with Part Three, authorisation to use the instruments and methods referred to in Title III of this Part shall make public the information set out in that Title.	N/A
431.3	Institutions shall adopt a formal policy on the frequency of disclosure, its verification, scope and adequacy, as well as a policy to assess whether the data disclosed by them convey to market participants a complete picture of their risk profile.	1.3 General aspects of Pillar 3
431.4	All quantitative information should be accompanied by a qualitative description and any other supplementary information that may be required.	Report with Prudential Relevance
431.5	Institutions shall explain, if requested, their rating decisions to SMEs and other companies applying for loans, providing a written explanation when requested. The administrative costs of the explanation must be proportionate to the amount of the loan.	N/A
432. Non-significant, reserved or confidential information		
432.1	Entities may omit information considered non-material under certain conditions.	1.2 Scope of application
432.2	Entities may omit information considered as reserved or confidential under certain conditions.	N/A
432.3	Where section 2 of article 432 applies, the entity shall state this in its disclosures and shall publish general information on the aspect to which the disclosure requirement refers.	N/A
433. Frequency and Scope of Information Disclosure		
433	Institutions shall publish the information required under Titles II and III as set out in Articles 433a, 433b, 433c and 434.	1.3 General aspects of Pillar 3
433 bis. Disclosure of information by large entities		
N/A		
433 ter. Disclosure of information by small and non-complex entities		
N/A		
433 quarter. Disclosure of Information by Other Entities		
433 quarter.	Entities that are not subject to Articles 433a or 433b shall disclose the following information at the frequency indicated	1.3 General aspects of Pillar 3
434. Means of dissemination		
434.1	1. Entities other than small and non-complex entities shall submit to EBA in electronic form all the information required in Titles II and III by the date on which they publish their financial statements or financial reports for the period concerned, where applicable, or as soon as practicable thereafter. EBA shall publish that information, together with the date of submission, on its website Institutions may continue to publish a stand-alone document that provides an easily accessible source of prudential information for users of that information or a particular section included in or annexed to the institutions' financial statements or financial reports	1.3 General aspects of Pillar 3
434.2	Entities other than small and non-complex entities shall submit to EBA in electronic form all disclosures required by Articles 433a and 433c in electronic form no later than the date on which they publish their financial statements or financial reports for the period concerned or as soon as practicable thereafter. If financial reports are published prior to the disclosure of information under section 430 for the same period, the information to be disclosed may be disclosed on or as soon as practicable after the information for supervisory purposes	
434 bis. Uniform information release formats		
434 bis.	EBA shall develop draft implementing technical standards to specify uniform formats for disclosure of information, as well as the corresponding instructions under which the information required in Titles II and III shall be made public.	N/A
435. Risk management policies and objectives		
435.1	Institutions shall disclose information on each risk category:	
435.1.a	The strategies and processes for managing these risks.	Chapter of each risk category

435.1.b	The structure and organisation of the relevant risk management function.	2.3 Risk Management Framework
435.1.c	Information transmission and risk measurement systems.	Chapter of each risk category
435.1.d	Hedging and risk reduction - policies, strategies and processes.	
435.1.e	Declaration approved by the management body on the adequacy of the entity's risk management mechanisms.	2.4 Risk Appetite Framework
435.1.f	Brief risk statement approved by the management body.	1.1 UCI Group
435.2	Information on the corporate governance system, including information on the composition of the board and its recruitment, and risk committees.	2.2 Governance and Organization
435.2.a	Members of the board who also hold a management position in the entity.	
435.2.b	The policy for selecting the members of the management body and their knowledge, skills and experience.	
435.2.c	The diversity policy, its objectives, and degree of compliance.	
435.2.d	Whether a risk committee has been set up specifically for this issue and the number of times it has met.	
435.2.e	The description of the flow of risk information to the management body.	
436. Scope of application of the requirements		
436	Institutions shall make public the following information on the scope of the requirements of this Regulation in accordance with Directive 2013/36/EU:	
436.a	The name of the entity to which the requirements of this Regulation apply.	1.2 Scope of application
436.b	A summary of the differences in the basis of consolidation for accounting and prudential purposes, with a brief description of the entities included, explaining whether they are: (i) fully consolidated, (ii) proportionately consolidated, (iii) deducted from own funds, (iv) neither consolidated nor deducted.	N/A
436.c	A breakdown of the assets and liabilities in the consolidated financial statements prepared in accordance with the regulatory consolidation requirements under Sections 2 and 3 of Title II of Part One by type of risk	1.1 UCI Group
436.d	A reconciliation setting out the main sources of differences between the carrying amounts in the financial statements in accordance with the scope of regulatory consolidation as defined in Sections 2 and 3 of Title II of Part One and the amount of exposure used for regulatory purposes; such conciliation may be supplemented by qualitative information on these sources of disputes.	N/A
436.e	Breakdown of the amounts of the components of an entity's prudent valuation adjustment, by type of risk, and the total of the components corresponding to the positions of the trading and investment portfolios separately	N/A
436.f	Impediments to the rapid transfer of own funds between the parent company and its subsidiaries.	1.2 Scope of application
436.g	The total amount by which actual own funds are lower than those required in all subsidiaries not included in the consolidation.	N/A
436.h	If applicable, the circumstance justifying the use of the provisions in: a) Prudential requirements; or b) Liquidity requirements on an individual basis.	N/A
437. Own funds		
437.1	Institutions shall make public the following information on their own funds:	
437.1.a	A complete reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and the filters and deductions applied in accordance with Articles 32 to 35, 36, 56, 66 and 79 to the entity's own funds and balance sheet in the entity's audited financial statements.	N/A
437.1.b	A description of the main characteristics of Common Equity Tier 1 and Additional Tier 1 instruments, as well as Tier 2 instruments, issued by the institution.	3.4 Eligible capital
437.1.c	The terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments.	
437.1.d	The indication, separately, of the nature and amount of:	3.4 Eligible capital
437.1.d.i	Each prudential filter applied in accordance with Articles 32 to 35;	
437.1.d.ii	Each deduction made in accordance with Articles 36, 56 and 66;	
437.1.d.iii	Items not deducted in accordance with Articles 47, 51, 56, 66 and 79.	
437.1.e	A description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply.	N/A
437.1.f	A comprehensive explanation of the basis for calculating those capital ratios calculated on the basis of own funds items determined on a basis other than that established by this Regulation.	N/A
437 bis. Disclosure of information on own funds and eligible liabilities		N/A
438. Capital requirements		

438	Institutions shall disclose the following information on their compliance with Article 92 of this Regulation and the requirements set out in Articles 73 and Article 104(1)(a) of Directive 2013/36/EU:	
438.a	Summary of the method used to evaluate the adequacy of domestic capital to cover present and future activities.	3.5 Capital requirements
438.b	the amount of the additional own funds requirements based on the supervisory review process referred to in Article 104(1)(a) of Directive 2013/36/EU to address risks other than the risk of excessive leverage, as well as their composition; [N/A
438.c	At the request of the relevant competent authority, the outcome of the institution's internal capital adequacy assessment process;	N/A
438.d	The total risk-weighted amount of the exposure and the corresponding total own funds requirement, determined in accordance with Article 92, broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and the risk-weighted amounts of the exposure resulting from applying minimum capital levels and not deducting items from funds own;	3.5 Capital requirements
438.d bis	where required to calculate, the total amount of non-floor risk exposure calculated in accordance with Article 92(4) and the total standard risk exposure amount calculated in accordance with Article 92(5), broken down by the different risk categories or risk exposure classes, as applicable, set out in Part Three, and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted amounts of exposures resulting from applying capital floors and not deducting items from own funds;	N/A
438.e	On-balance sheet and off-balance sheet exposures, risk-weighted exposure amounts and associated expected losses for each of the specialised funding categories referred to in Table 153(5) of Article 153(5) and on-balance sheet and off-balance sheet exposures and risk-weighted exposure amounts for the equity exposure classes set out in Article 155; paragraph 2;	N/A
438.f	The exposure value and risk-weighted amount of exposure of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual basis; subconsolidated and consolidated;	N/A
438.g	The additional own funds requirements and the capital adequacy ratio of the financial conglomerate, calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive when applying methods 1 or 2 set out in that Annex;	N/A
438.h	The changes in the risk-weighted amounts of exposure in the current disclosure period compared to the immediately preceding disclosure period, resulting from the use of internal models, as well as a summary of the main factors explaining such changes.	N/A
439. Counterparty credit risk exposure		N/A
440. Capital buffers (Disclosure of information on countercyclical capital buffers)		
440	Institutions shall disclose the following information in relation to their compliance with the countercyclical capital buffer requirement in accordance with Chapter 4 of Title VII of Directive 2013/36/EU:	
440.a	Geographical distribution of its relevant credit exposures for calculating its countercyclical capital buffer.	1.4 Applicable Regulatory Framework 3.5 Capital Requirements
440.b	The amount of the specific countercyclical capital buffer.	
441. Indicators of global systemic importance		N/A
442. Credit risk adjustments		
442	Institutions shall disclose the following information on the institution's exposure to credit risk and dilution risk:	
442.a	The scope and definitions of "non-performing" and "impaired" exposures that they use for accounting purposes, as well as the differences, if any, between the definitions of "non-performing" and "default" for accounting and regulatory purposes;	
442.b	A description of the approaches and methods adopted to determine adjustments for general and specific credit risk;	5.2 Credit risk management and concentration
442.c	Information on the amount and quality of non-defaulting, defaulting and restructured or refinanced exposures for loans, debt securities and off-balance sheet exposures, including the corresponding accumulated impairment, provisions and negative changes in fair value due to credit risk and amounts of collateral and financial collateral received;	
442.d	An analysis by age of non-performing exposures in accounting;	
442.e	Gross carrying amounts of defaulted and non-non-performing exposures, the cumulative amount of general and specific credit risk adjustments, the cumulative amount of write-offs made in relation to those exposures and the net carrying amounts and their breakdown by geographical area and by type of sector and by credit; debt securities and off-balance sheet exposures;	5.3 Credit Risk and Concentration Information
442.f	Any change in the gross amount of on-balance sheet and off-balance sheet defaulted exposures, including at least information on the opening and closing balances of such exposures, the gross amount of any such exposures that have been reversed in default or that have been derecognized from accounts;	
442.g	The breakdown of loans and debt securities by residual maturity	

443. Disclosure of information on encumbered and unencumbered assets		N/A
443	Entities shall disclose information in relation to their encumbered and unencumbered assets. For these purposes, they will use the carrying amount for each exposure category, broken down according to the quality of the assets and total book value with and without charges. The information disclosed on the encumbered and unencumbered assets will not reveal the urgent provision of liquidity by central banks.	
444. Disclosure of information on the use of the standardised approach		
444	For institutions that calculate risk-weighted exposures in accordance with Part Three, Title II, Chapter 2, the following information shall be made public in relation to each of the exposure categories listed in Article 112:	
444.a	Names of designated ECAIs and export credit agencies and the reasons for any changes.	5.4 Capital requirements for credit risk and concentration
444.b	Exposure categories for which each ECAI is used.	
444.c	Description of the process used to transfer credit assessments of issues and issuers to items that are not included in the trading book.	N/A
444.d	Associating the external credit rating of each designated ECAI or export credit agency with the credit quality levels prescribed in the Regulation.	N/A
444.e	Pre- and post-credit risk reduction exposure values associated with each credit quality level prescribed in the Regulation.	N/A
445. Disclosure of information on market risk exposures		N/A
445	Disclosure of position risk, large risks in excess of specified limits, foreign exchange risk, liquidation risk and commodity risk.	
446. Disclosure of information on operational risk management		6. Operational risk
446.1	Entities shall disclose the following information	
446.a	The main elements and characteristics of your operational risk management framework	
446.b	its own funds requirement for operational risk equal to the component of the activity indicator calculated in accordance with Article 313;	6.4 Capital requirement for operational risk
446.c	the activity indicator, calculated in accordance with Article 314(1), and the amounts of each of the components of the activity indicator and its sub-components for each of the three years relevant to the calculation of the activity indicator;	
446.d	the amount of the reduction in the activity indicator for each of the exclusions from the activity indicator in accordance with Article 315(2) and the corresponding justifications for those exclusions.	N/A
446.2	2. Institutions that calculate their annual operational risk losses in accordance with Article 316(1) shall disclose the following information, in addition to the information referred to in paragraph 1 of this Article:	N/A
447. Disclosure of information on key indicators		
447	Institutions shall disclose, in the form of a table, the following key indicators:	
447.a	The composition of its own funds and its own funds requirements calculated in accordance with Article 92;	3.4 Eligible capital
447.b	The total amount of risk exposure calculated in accordance with Article 92(3); the total amount of non-floor risk exposures calculated in accordance with Article 92(4);	3.5 Capital requirements
447.c	Where applicable, the amount and composition of additional own funds to be held by institutions in accordance with Article 104(1)(a) of Directive 2013/36/EU;	N/A
447.d	The combined buffer requirements that institutions are required to maintain in accordance with Chapter 4 of Title VII of Directive 2013/36/EU;	3.5 Capital requirements
447.e	Its leverage ratio and the measure of the total exposure of the leverage ratio, calculated in accordance with Article 429;	3.3 Leverage ratio
447.f	Information regarding your liquidity coverage ratio	4.3 Liquidity and funding risk information
447.g	Information regarding your net stable funding requirement	
447.h	Their own funds and eligible liabilities ratios and their constituents, numerator and denominator, calculated in accordance with Articles 92a and 92b, broken down for each resolution group where applicable.	N/A
448. Disclosure of information on interest rate risk exposures in relation to positions not held in the trading book		7. Structural balance sheet interest rate risk
449. Disclosure of information on exposures to securitisation positions		5.3 Credit Risk and Concentration Information
449 bis. Disclosure of information on environmental, social and governance risks (ESG risks)		

449.bis 1	1. Institutions shall disclose information on ESG risks, distinguishing between environmental, social and governance risks, and between physical and transition risks for environmental risks.	10. Environmental, Social and Governance (ESG) Risk
449.bis 2	2. For the purposes of paragraph 1, institutions shall disclose information on ESG risks, including:	
449.bis 2.a	(a) the total amount of exposures to entities in the fossil fuel sector	N/A
449.bis 2.b	(b) how institutions integrate ESG risks into their business strategy and procedures, as well as into risk governance and management.	10. Environmental, Social and Governance (ESG) Risk
449 bis ter	EBA shall develop draft implementing technical standards to specify uniform formats for the disclosure of information in accordance with Article 434a on ESG risks	
450. Disclosure of information on remuneration policy		12. Remuneration
	Disclosures on compensation of the identified group:	
451. Disclosure of leverage ratio information		
451.1	Information on your leverage ratio, calculated in accordance with Section 429, and your management of the risk of excessive leverage:	
451.1.a	the leverage ratio and how the entity applies	1.4 Applicable Regulatory Framework
451.1.b	a breakdown of the measure of total exposure, as well as the reconciliation between that measure and the relevant information disclosed in the published financial statements;	3.3 Leverage ratio
451.1.c	where applicable, the amount of exposures and the adjusted leverage ratio	
451.1.d	A description of the procedures in place to manage the risk of excessive leverage;	
451.1.e	A description of the factors that have affected the leverage ratio during the period to which the disclosed leverage ratio relates.	
451.2	Public development credit institutions as defined in Article 429a(2) shall disclose the leverage ratio without adjusting the total exposure measure determined in accordance with Article 429a(1)(d).	N/A
451.3	Large institutions shall disclose information on the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages to be calculated in accordance with the implementing act referred to in Article 430(7).	N/A
451 bis. Disclosure of liquidity requirements		
451 bis.1	Institutions subject to Part Six shall disclose information on their liquidity coverage ratio, their net stable funding ratio and their liquidity risk management in accordance with this Article.	4. Liquidity and funding risk
451 bis.2	Institutions shall disclose the following information in relation to their liquidity coverage ratio calculated in accordance with the delegated act referred to in Article 460(1):	
451 bis.2.a	the average(s), as applicable, of its liquidity coverage ratio	4.3 Liquidity and funding risk information
451 bis.2.b	the average(s), as applicable, of total liquid assets, after the haircuts have been applied	
451 bis.2.c	the averages of its liquidity outflows, its liquidity inflows, and its net liquidity outflows	
451 bis.3	Institutions shall disclose information in relation to their net stable funding ratio	
451 bis.4	Institutions shall disclose information on the arrangements, systems, procedures and strategies put in place for the determination, measurement, management and monitoring of their liquidity risk, in accordance with Article 86 of Directive 2013/36/EU.	4.2 Liquidity and funding risk management
452. Disclosure of information on the application of the IRB approach to credit risk		N/A
453. Disclosure of information on the use of credit risk mitigation techniques		5.2 Credit risk management and concentration
454. Disclosure of information on the application of advanced calculation methods to operational risk		N/A
455. Application of internal models to market risk		N/A