Anual Report 2024

UCI

Index

01

Letter from the CEO

Letter from the CEO

The 2024 financial year was marked by a progressive improvement in the economic context in the Iberian Peninsula, in contrast to a more moderate recovery in the Eurozone as a whole.

The Spanish economy grew by 3.2%, one of the highest rates on the continent, thanks to the dynamism of domestic consumption, the sustained recovery of tourism and the boost from European funds. Portugal, for its part, grew by 1.9 %, exceeding initial forecasts, driven by private consumer spending, especially in the last quarter of the year.

The Eurozone, on the other hand, closed the year with growth of 0.7 %, which reinforces the positive differential of Spain and Portugal compared to the EU environment. Added to this was the fall in unemployment rates, which helped to improve household confidence and stabilise domestic demand, in a scenario of still high interest rates, but in the process of stabilising, after the accumulated rises of previous years.

"Our production has grown by 18.5% in 2024."

Against this backdrop, the UCI Group has demonstrated a solid capacity to adapt, making decisive progress in our strategic transformation. In 2024, we signed new production worth €477 million, representing growth of 18.5% compared to the previous year.

Profitability was once again the key focus of our lending activity. UCI maintained its prudent policy, prioritising value over volume, with a clear focus on customers' real needs, under high standards of quality and transparency. The favourable evolution of interest rates in the second half of the year suggests a more favourable environment for the formalisation of new loans in conditions of adequate profitability.

UCI maintained a consistent strategy focused on specialisation, sustainability and profitability. Portfolio management continued to focus on customer satisfaction, cross-selling, responsible recovery of distressed transactions, profitable divestment of foreclosed assets and cost control. All with a clear objective: to create value in a sustainable and purposeful way.

Along with mortgage financing for individuals, we continued to promote solutions aimed at the refurbishment and energy efficiency of homes and homeowners' associations. This strategic line, aligned with EU priorities and the 2030 agenda, grew 36% year-on-year, as a result of our firm commitment to sustainability and improving the building stock. This evolution has been compatible with responsible management of margins and the consolidation of our autonomy in refinancing.

"We have consolidated the UCI 2.0 model, focused on four strategic pillars and placing sustainability and people at the core."

Throughout 2024, we have continued to build a stronger, more agile and engaged UCI. A UCI that has been evolving for more than a decade under a customer-centric, technology-driven model guided by the principles of sustainability, efficiency and specialisation. Under the framework of UCI 2.0, we have articulated our transformation in six strategic pillars: business, customer, technology and profitability; placing people and sustainability as key focal points.

ESG commitment is also reflected in our social action. In collaboration with the Prodis Foundation, we continued to promote financial education and the inclusion of people with intellectual disabilities. Our social investment benefited close to 2,000 people, with the participation of our employees, demonstrating that our vision of sustainability also includes social and human impact.

"UCI has been recognized as a Great Place to Work in all the countries where it operates."

People are at the heart of our transformation. For the fifth consecutive year we have been recognised as a Great Place to Work in Spain, a certification also achieved in Portugal, for the fourth consecutive year, as well as by our subsidiaries in Greece and Brazil.

From an operational point of view, 2024 was also a key year for consolidating our technological evolution. We have deployed a new CRM system, robotised processes, introduced Artificial Intelligence (AI) solutions and optimised the customer journey, with the aim of offering a more efficient, closer and personalised experience.

Our roadmap is clear: consolidate our specialised and sustainable model, strengthen our value proposition based on proximity, responsible innovation and green financing, and translate all of this into solid, efficient and impactful growth. We want to continue generating lasting value for our customers, our partners and our shareholders, and to contribute to a healthier, more efficient and more humane housing stock.

This performance was accompanied by a notable strengthening of the Group's solvency. Our shareholders, Banco Santander and BNP Paribas, reaffirmed their support for UCI by contributing 82 million euros in contingently convertible subordinated bonds, previously issued by UCI, S.A., which were added to the bank's capital during the year. This operation significantly strengthens the Group's capital position, placing our solvency levels well above the minimum regulatory requirements.

Thanks to all of you who are part of this journey.

Together we drive the future.

Pedro Megre
CEO at UCI

02 Letter from the Deputy CEO

Letter from the Deputy CEO Philippe Laporte

Dear employees, partners and customers:

Our 2024 fiscal year called for vision, consistency and adaptability in a global economic environment which, despite the persistence of geopolitical tensions, showed signs of stabilisation that we were able to capitalise upon.

In general, we witnessed a “soft landing” scenario for the economy, with declining inflation and resilient labour markets, especially in Europe, where many regions maintained historically low unemployment rates.

Against this backdrop, interest rate developments were more contained than expected, while expectations of interest rate cuts were postponed and the normalisation of the yield curve, which has been inverted since mid-2022, was postponed. Even so, the resilience of emerging economies and the strength of domestic demand in countries such as Spain and Portugal helped sustain economic growth, boosting our business on the Iberian Peninsula.

At UCI, we responded to this scenario with determination and strategic coherence, remaining true to our purpose: to facilitate access to decent, efficient and sustainable housing through responsible, people-centred financing. We closed the year with new production of 477 million euros, an increase of 18.5% over the previous year, reflecting our ability to connect with the real needs of our customers.

“Our policy of prudent growth has allowed us to consolidate a sustainable, efficient and resilient model.”

Profitability continued to be the backbone of our lending activity. Our policy of judicious growth, based on value creation rather than volume, has enabled us to consolidate a sustainable, efficient and resilient model. This was supported by a more favourable environment in the second half of the year and a clear strategy of specialising in mortgage finance and energy rehabilitation.

During 2024, we took firm steps in our transformation process, consolidating our business model under the “UCI 2.0” strategic framework. This model hinges on five pillars: business, customer, technology, profitability and sustainability, and is enabling us to evolve with agility towards a more digital, efficient and impact-oriented organisation.

One of the key milestones of the year was the definition of our new three-year Strategic Plan focused on six pillars: business development, customer, technology, legacy, people and sustainability. This roadmap will enable us to continue to grow with focus, align our efforts with the challenges of the environment and strengthen our value proposition.

"Sustainability has remained central to our strategy."

Sustainability has continued to be at the heart of our strategy. This was the final year of the Residential Energy Rehabilitation Plan (RER), which we developed with the support of the EIB and the European Commission. We also completed the third and final phase of the ENGAGE project, which focuses on the standardisation of green lending data. These initiatives reinforce our commitment to the energy transition of the Iberian housing stock.

In 2024, we gave new impetus to our green mortgages and refurbishment solutions, with year-on-year growth of 36%. In addition, we formalised EUR 125 million in green financing, as part of our 4th commitment of EUR 432 million in 2023. All of this was framed by our agreement with the EIB and the successful issuance of the RMBS Green Prado XI, a pioneering operation in the European market.

This sustainable approach is backed by an improvement in our ESG rating, placing us at level 2 according to Sustainable Fitch.

These achievements are the result of prudent management and the constant support of our shareholders, Banco Santander and BNP Paribas, which this year strengthened our solvency with a contribution of EUR 82 million in AT1 instruments converted into capital, significantly raising our capital position together with an appropriately targeted management of weighted average assets (RWA).

Social action was also an important vector. Together with the Prodis Foundation, we continued our commitment to inclusion and financial education for people with intellectual disabilities. More than 2,000 people benefited from our social initiatives in 2024, reflecting a vision of sustainability that transcends environmental and economic issues.

This year, we were also recognised again as a Great Place to Work in all countries where UCI is present. We are deeply proud of this recognition, because we know that people are the driving force behind everything we do. Their talent, commitment and dedication to service are the foundation on which we build our future.

"In 2025 we will continue to prioritise operational efficiency, the quality of our portfolio and the creation of lasting value."

In 2025, we will continue to focus on customer-centric financing, on innovative solutions in energy refurbishment and on a solid strategy of financial optimisation in the capital markets. We will continue to prioritise operational efficiency, the quality of our portfolio and the creation of lasting value.

Thank you to all of you who are part of this project. We continue to move forward steadily, guided by a shared vision: to build a more agile, more humane UCI, ready to face the challenges of tomorrow.

Philippe Laporte
Deputy CEO at UCI

03 Sustainability Report NFIS

Preliminary clarifications

This consolidated **Non-Financial Information Statement** forms part of UCI Group's Management Report and is issued as a separate report. With this **Sustainability Report**, UCI reports on its situation in compliance with article 49 of the Commercial Code, as amended by Law 11/2018, as a transposition at the legal system level of Directive 2014/95/EU, with regard to the disclosure of non-financial information and diversity.

In 2024, the double materiality analysis was carried out, in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (CSRD) and as the draft Law on Corporate Sustainability Reporting, which amends the Commercial Code, the Capital Companies Act and the Accounts Audit Act, the decision has been made to report non-financial information in accordance with current legislation, the aforementioned Law 11/2018 on Non-Financial Information and Diversity.

Total assets, equity and results for the financial year of the subsidiary Unión de Créditos Inmobiliarios S.A. E.F.C. virtually represent the totality of the same items in the Group, and therefore the scope of the information and the entities included in the perimeter of the Non-Financial Information Statement corresponds to Unión de Créditos Inmobiliarios S.A., Establecimiento Financiero de Crédito in Spain and Portugal, whose perimeter covers 93% of the Group's employees and 98.35% of the outstanding managed balance.

When preparing the Report, we followed the criteria of the principles of the United Nations Global Compact, the 2030 Agenda with the Sustainable Development Goals, and its three dimensions of sustainability: environmental, social and governance, using as a reference the GRI Standards and with the requirements set by the Spanish legislation applicable to this matter, such as Law 11/2018. In addition, we have also taken into account the EU Regulation 2020/852 on the European Taxonomy, in reference to the classification of economic activities based on their contribution to climate change or harm to the environment.

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 Code of Commerce, mentioned above.

This verification includes documentary verification of the information gathered in this document, as well as analysis of the quality of the quantitative data used, justifying the consistency of the information reported with the results of the analysis of stakeholder needs and expectations.

For this purpose, Forvis Mazars Auditores, S.L.P. adopts the requirements established in the International Standard on Assurance Engagements 3000 Revised in force, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 300 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Performance Guide on Assurance Engagements on Non-Financial Information issued by the Spanish Institute of Chartered Accountants.

Once verified, the Report is approved by the Board of Directors of UCI.

Letter from the Director of Sustainability

In a context that demands ever greater accountability, transparency and action, we at UCI have reinforced our commitment to a business model focused on sustainability in 2024.

The integration of ESG criteria (environmental, social and governance) is now a structural part of our strategy, our daily business and our shared culture.

Our mission is to drive a just transition to a more inclusive, equitable and resilient future. As a specialist, we are committed to facilitating access to decent and efficient housing, while promoting the sustainability of the housing stock.

"In 2024, we improved our ESG Rating, achieving a score of 63 out of 100."

"We have joined the ICO guarantee scheme to support young people and families in accessing home ownership."

In this regard, 2024 has been a key year in the consolidation of our ESG approach. One of the most relevant milestones was the improvement in our rating by Sustainable Fitch, which raised our ESG Entity Rating from 3 to 2, with a score of 63 out of 100, recognising the progress in the integration of ESG criteria in UCI's management and strategy.

With the aim of facilitating the purchase of housing for one of the groups with the greatest access difficulties, we were one of the first financial institutions to join the line of guarantees promoted by the Ministry of Housing and Urban Agenda and channelled through the Official Credit Institute (ICO) to facilitate access for young people under the age of 35 and families with dependent minors.

In addition, we have intensified our activity in operations aligned with the standards of the European Investment Bank, the European Investment Fund and Sustainalytics, consolidating a responsible financing proposal aligned with the sector's decarbonisation needs.

We have further developed the financing of the decarbonisation of buildings with our RER Plan, providing citizens with access to a one-stop shop and a whole ecosystem, thanks to funds from the European Commission's ELENA (European Local Energy Assistance) programme, managed by the EIB (European Investment Bank).

Internally, we have conducted a comprehensive review of our key document framework, reinforced policies, procedures and control structures, and carried out the dual materiality analysis, in line with the new CSRD, thus strengthening our ability to report and manage financial and non-financial impacts.

In terms of people management, UCI has been recognised as a Great Place to Work (GPTW) in every country where it operates, reflecting our commitment to talent development, diversity and the well-being of our teams.

"Our social action has reached nearly 2,000 people."

Our social action in 2024 has resulted in an investment of 59,700 euros, benefiting nearly 2,000 people through the "Te Acompañamos" (We Accompany You) programme, which has an impact in four areas: financial education, inclusion of people with intellectual disabilities, prevention of residential exclusion and support in emergencies.

In education, 47 employee volunteers gave workshops in the "Your Finances, Your Future" programme, developed by the Junior Achievement Foundation and the Spanish Banking Association (AEB). A total of 620 students received this training from UCI volunteers. In addition, we supported two young people with high abilities and limited resources with a training grant through the Dádoris Foundation, helping them to access and remain in university studies .

As a result of our collaboration with Fundación Prodis, eleven UCI volunteers delivered the second edition of our Inclusive Financial Education Programme, providing financial literacy training to 48 students with intellectual disabilities (+129% compared to 2023). This training has been transferred to the AEB Foundation for adoption in other Spanish institutions.

Together with the Spanish Red Cross, we helped 21 families at risk of residential exclusion, reaching 56 people (76% women). In addition, in the face of the floods caused by the DANA, we mobilised more than 11,000 euros between donations from employees to help those affected.

As part of the Inmociónate forum, our Inmosolidarios initiative allocated 8,000 euros to recognise social projects promoted by real estate agencies in five cities.

We also financed, together with the Mutua de Propietarios Foundation, accessibility works in three communities, benefiting 170 people in 68 homes, including 38 people with reduced mobility.

As a member of the United Nations Global Compact, we reinforce our contribution to the Sustainable Development Goals, especially SDG 4 (quality education), SDG 8 (decent work and economic growth), SDG 10 (reducing inequalities) and SDG 17 (partnerships to achieve the goals).

At UCI we understand sustainability as a structural commitment. That is why in 2025 we will continue to drive a profound transformation of the financial sector, guided by responsibility, innovation and a clear focus on the positive impact on people, the environment and our communities.

Thank you for accompanying us on this journey.

Cátia Alves
Director of Corporate Sustainability at UCI

01

Meet UCI

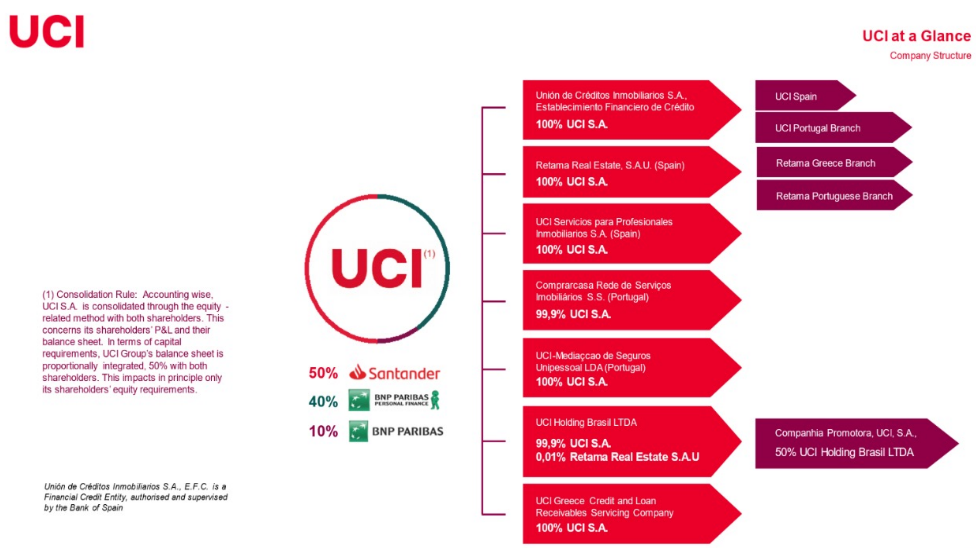
About us

We are a financial institution with more than 30 years of experience in financing the purchase and rehabilitation of housing, with a presence in Spain, where our headquarters are located, Portugal, Greece and Brazil.

Our aim is to meet the housing demand through responsible, personalised and sustainable financing solutions. We provide access to housing and contribute to the renewal of the housing stock for more sustainable cities, through our mortgages and products for housing renovation and building refurbishment.

One of our strategic pillars is customer experience and satisfaction through bespoke customer care, oriented towards transparency, quality, responsibility, accessibility and closeness.

Our organisational structure



Our corporate governance

The Corporate Governance policy is the framework that defines the company's Governance, Risk Management and Compliance (GRC) structure.

This policy is complemented by other standards that ensure the proper management of UCI, such as the following:

- Bylaws
- Fit and proper policy for directors, members of senior management and key personnel
- Remuneration policy for board members
- Conflict of interest policy

Governing bodies

We have an organisational structure and an appropriate and transparent management and control operating model, which aims to act efficiently and in proportion to the nature, scale and complexity of the risks inherent in the business model and activity carried out, and which is also in line with the principles of good corporate governance.

The organisational structure of Unión de Créditos Inmobiliarios S.A., E.F.C. is made up of three main bodies:

- **Sole Shareholder UCI, S.A.**

  We have a sole shareholder who governs and manages the entity, together with the Board of Directors. In view of the shareholding structure, UCI, S.A. exercises the powers of the General Meeting and, as such, is entrusted with the functions provided for by law and the Articles of Association.

- **Board of Directors**

The Board of Directors is the highest body responsible for representation, management, strategy and supervision of the business, except in matters reserved to the competence of the Sole Shareholder.

Its duties and responsibilities are detailed in the Annual Report of the Credit Institutions' Capital Self-Assessment Process.

The Board's policy is to delegate our day-to-day management to the management team and to concentrate its activity on the general supervisory function and on taking the decisions most relevant to the company's management.

- In order to support these core functions through an appropriate management monitoring, supervision and control process, the Board of Directors has two specific committees that provide assistance in their respective areas:
  - **Joint Audit and Risk Committee,** whose directors are appointed by the Board. Its purpose is to improve the monitoring, reporting and decision-making of the Board, as well as to develop, implement and monitor the management control, internal control and compliance systems.
  - **Appointments and Remuneration Committee.** Its most relevant competences are the assessment of the suitability of directors and key personnel, and the supervision and application of the remuneration policy.

At December 31, 2024 all governing bodies are the following:

Board of Directors UCI, S.A.

- **President:** Matías Rodríguez Inciarte
  - President of Santander Universidades
- **Director:** Remedios Ruiz Maciá
  - Global Chief Risk Officer (CRO) Santander Global Cards & Digital Solutions Banco Santander; Director of Banco Santander Totta S.A.
- **Director:** Eric Henri Klesta
  - Global Head of Mortgage Business - BNP Paribas Personal Finance
- **Director:** Michel Falvert
  - Member of the Executive Committee of BNP Paribas Personal Finance
- **Secretary non-director of the Board of Directors:** Eduardo Isidro Cortina Romero
  - Secretary non-director of the Board of Directors

Committees of the Board of Directors UCI, S.A.

Joint Audit and Risk Committee

- **President:** Michel Falvert
  - Member of the Executive Committee of BNP Paribas Personal Finance
- **Member:** Remedios Ruiz Maciá
  - Global Chief Risk Officer (CRO) Santander Global Cards & Digital Solutions Banco Santander; Director of Banco Santander Totta S.A.

Appointments and Remuneration Committee

- **President:** Matías Rodríguez Inciarte
  - President of Santander Universidades
- **Member:** Michel Falvert
  - Member of the Executive Committee of BNP Paribas Personal Finance

Board of Directors Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito

- **President:** Matías Rodríguez Inciarte
  - President of Santander Universidades
- **Director:** Remedios Ruiz Maciá
  - Global Chief Risk Officer (CRO) Santander Global Cards & Digital Solutions Banco Santander; Director of Banco Santander Totta S.A.
- **Director:** Eric Henri Klesta
  - Global Head of Mortgage Business - BNP Paribas Personal Finance
- **Director:** Michel Falvert
  - Member of the Executive Committee of BNP Paribas Personal Finance

- **Independent Director:** Jean François Georges Marie Deullin
  - Independent Director of Findomestic Banca
- **Independent Director:** Eduardo Suárez Álvarez-Novoa
  - Independent Director of Caceis Bank
- **Secretary non-director of the Board of Directors:** Eduardo Isidro Cortina Romero

Committees of the Board of Directors UCI, S.A. Establecimiento Financiero de Crédito

Joint Audit and Risk Committee

- **President:** Jean François Georges Marie Deullin
  - Independent Director of Findomestic Banca
- **Member:** Eduardo Suárez Álvarez-Novoa
  - Independent Director of Caceis Bank
- **Member:** Remedios Ruiz Maciá
  - Global Chief Risk Officer (CRO) Santander Global Cards & Digital Solutions Banco Santander; Director of Banco Santander Totta S.A.

Appointments and Remuneration Committee

- **President:** Jean François Georges Marie Deullin
  - Independent Director of Findomestic Banca
- **Member:** Matías Rodríguez Inciarte
  - President of Santander Universidades
- **Member:** Michel Falvert
  - Member of the Executive Committee of BNP Paribas Personal Finance

Internal Governance

We have an efficient governance structure in place to facilitate and ensure decision making and their monitoring.

To this end, the project to review the organisation's key documentary framework was completed during 2024, reinforcing the main frameworks, policies and procedures in accordance with current regulations and best market practices.

Senior Management Bodies

The Management Committee is responsible for leading and supervising all key areas of the organisation, ensuring greater efficiency and achievement of objectives.

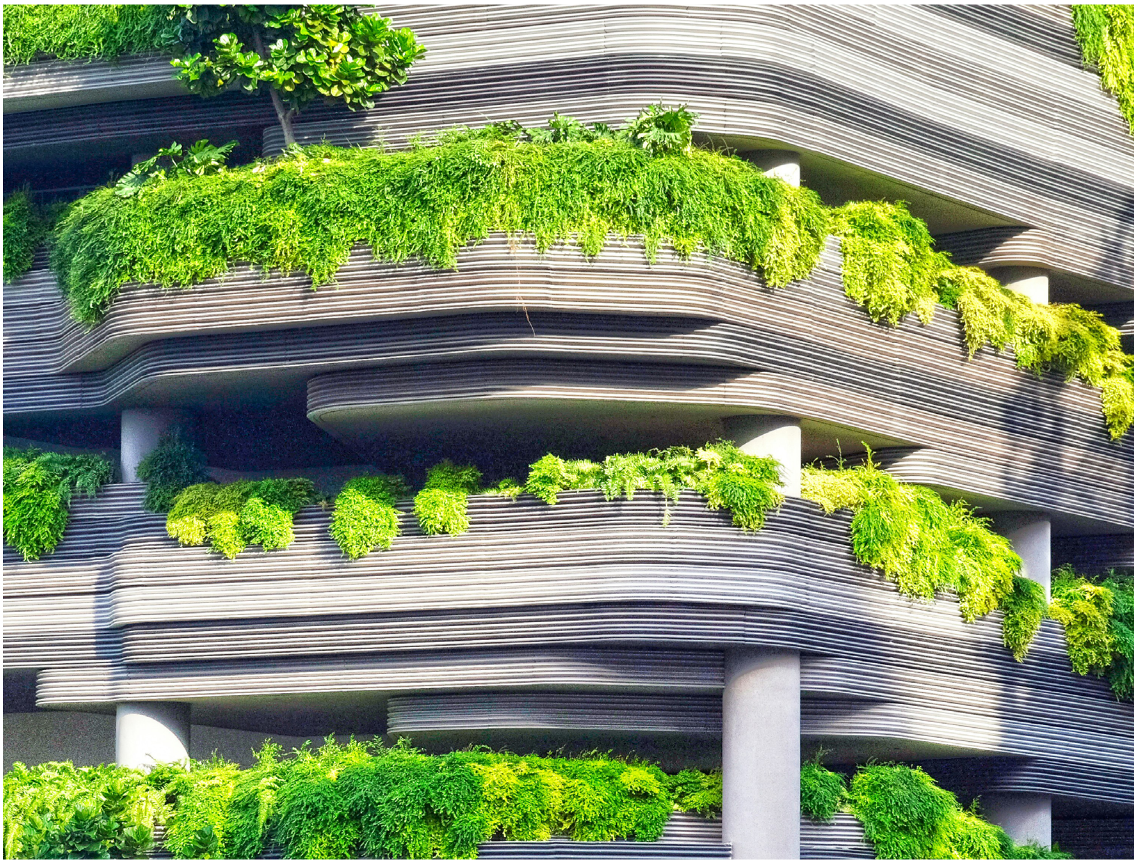
It is supported by the coordination committee.

Management Committee

- **Managing Director:** Pedro Manuel Megre Monteiro do Amaral
- **Deputy Managing Director:** Philippe Jacques Laporte
- **Commercial Deputy Managing Director:** José Manuel Fernández Fernández
- **HR Director:** Ángel Aguilar Otero
- **Director of Corporate Sustainability and Director of Strategy and Innovation UCI Brazil:** Cátia Vanessa Neves de Almeida Lopes Alves
- **Risk Director:** Francisco Javier Villanueva Martínez
- **Director de RRHH:** Ángel Aguilar Otero
- **General Manager, UCI Portugal:** Greg Delloye
- **Director of General Intervention:** Olivier Rodríguez
- **Director of Operations:** Rodrigo Malvar Soto

Strategic committees

These committees focus on key decision-making. To increase efficiency, the current planning groups those Committees that share related topics and adjusts their composition, duration and periodicity.



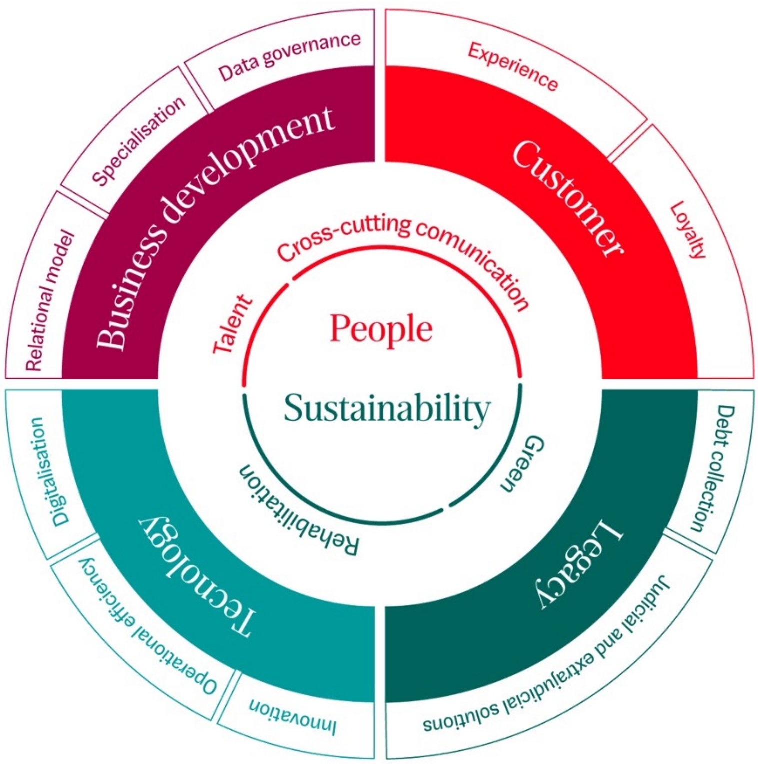
As of the publication date of this Annual Report, Ms. Remedios Ruiz Maciá has been replaced by Mr. Sergio Gámez, Head of Capital Profitability Management and Asset Desk at Banco Santander, as a member of the Board of Directors of UCI, S.A. and UCI, S.A. E.F.C.

Our strategy

In 2024, the entity's strategic plan has been defined with the strategic axes, lines and objectives for a 3-year horizon, with annual review.

The axes are as follows:

1. **Business development:** identify new business opportunities, both in terms of products and services and also in relation to customers and channels, with a differential and unique commercial approach that positions us as financial specialists with a unique service.
2. **Client:** strengthen the client strategy from within the firm, including the new community model. Focused on meeting new client needs.
3. **Technology:** improve operational efficiency through innovation, implementing procedures and automation, improving agility, specialist experience and integration with clients, channels and other stakeholders throughout the process, both with internal development and outsourcing.
4. **Legacy:** establish a recovery strategy focused on optimising judicial and extrajudicial solutions.
5. **People:** generate an attractive work environment for the development of existing talent and the attraction of new talent through a diverse, inclusive, positive, fair, transparent culture supported by training.
6. **Sustainability:** integrate sustainability into the company's DNA and culture, involving all of the company's levels and areas, as well as its stakeholders. The aim is to generate value, trust and reputation, aligning discourse with action and showing the positive impact of business activity on environmental, social and governance aspects.



Our products

As a financial institution specialising in mortgage financing, we have a range of products in both Spain and Portugal to offer the right solution to the needs of each client who wants to buy a home. Different options ranging from the purchase of a home, its refurbishment, the simultaneous purchase and refurbishment, the self-build mortgage for the construction of a home on the client's land, a mortgage for a second residence and for the purchase of a home for young people. In addition, we attend to the needs of non-resident clients who want to purchase a home on the Iberian Peninsula.

Our mortgages are designed to encourage the development of more sustainable housing, in line with the awareness of climate change and energy saving.

In order to access a green mortgage, it is essential that the home or project meets certain energy efficiency criteria:

- **Energy certification A or energy consumption 10% better** than the standard references for the climatic zones.

- **Renovations that reduce consumption:** the renovation must achieve a 30% reduction in energy consumption to be eligible.

We understand sustainability as a global challenge that motivates us to achieve the decarbonisation of cities and we address it as part of our ESG Commitment. To this end, we offer financing so that homeowners' associations can renovate their buildings. A loan for everyone, improving the energy efficiency of every home.

02

Our sustainability model

2.1. Sustainability governance and management

At UCI, we have built our corporate culture with a commitment to the environment and to the stakeholders who influence or are influenced by the activities we carry out and our impact on the planet. We have a governance structure, frameworks and policies that ensure responsible and sustainable behaviour.

Sustainability Management works with other departments to manage and promote sustainability issues that impact the organisation and those that in turn have an impact on stakeholders and the environment. This management is part of the Management Committee and reports directly to the CEO, which favours strategy design and cross-collaboration within UCI.

The sustainability strategy is developed in different phases and with different tools, and establishes the lines of action to achieve the objectives we set ourselves as an organisation.

Sustainability Policy	Materiality study	Sustainability Plan	Sustainability Report
It defines the general sustainability principles and the commitments to our stakeholders for long-term value creation.	It comprehensively identifies internal and external impacts that are assessed for prioritisation on material issues.	It sets out the ESG strategy, based on material topics identified, the company's ESG framework, SDGs to which we contribute and commitments to our stakeholders.	Annual report prepared in accordance with current regulations and on material sustainability issues.

Framework for action

To integrate ESG standards and criteria into all processes and our operations, we have internal policies and standards that reflect sustainability regulations, and national and international initiatives related to sustainable development.

Sustainability Policy	Code of Ethics	Environmental Risk Management Policy	Diversity Policy	Consumer protection policy
It defines general sustainability principles and the commitments to our stakeholders for long-term value creation.	It establishes a set of principles and guidelines aimed at ensuring the ethical and responsible behaviour of all UCI employees in carrying out their activities.	It specifies criteria and procedures to be followed in the granting of loans that may have a greater environmental impact.	It sets out the objectives, principles and actions to ensure diversity and an inclusive culture in the organisation.	It details the 9 general principles that govern the relationship with our clients in order to respect their interests and rights.

Information security policy	Anti-Corruption and Anti-Bribery Policy	General Conflict of Interest Policy	Supplier contracting policy	Social Action Policy
It includes the main lines of action to guarantee the confidentiality, integrity and availability of UCI information.	It identifies the most common scenarios in which we may encounter acts of corruption, and how to proceed in such situations.	It establishes guidelines for preventing and managing conflicts of interest in the activities of UCI employees, directors and entities.	It establishes the general framework for the selection, control and monitoring of service providers, as well as quality assessment.	It defines the lines of action for donations made, either financial donations, in kind or through volunteering.

2.2. Our ESG Commitment

At UCI, we work to achieve sustainable development with people and the planet at the heart of our activity. With this approach, we deploy our strategy by identifying our purpose and objectives in each ESG criterion to contribute to the achievement of a more equitable and sustainable society.

By integrating these elements, we achieve an ESG model focused on sustainable and responsible business results, with a committed team and addressing the stakeholders' needs.

Our ESG commitment

Create value for stakeholders, incorporating ESG criteria in new business lines

E	Minimise the impact of our activity in the environment and boost the decarbonisation of the housing stock through sustainable financing and rehabilitation.
S	Support the development of a more sustainable and caring society, promoting the customer satisfaction, and inclusive growth, and supporting the creation of diverse and talented teams.
G	Integrate a responsible management through a framework of actions with well defined policies and procedures, listening to our stakeholders and with a prudential risk management.

2.3. Our sustainability milestones

The momentum in the ESG field has allowed us to improve and advance in different projects:

- **Sustainable Fitch** has improved the **ESG Entity Rating**, in 2024 we achieved a '2' from the '3' of 2023 and a score of 63/100 which reflects the company's good ESG performance and the integration of ESG considerations into the business, strategy and management.

- We continue to finance housing renovation projects and homeowners' associations as an organisation affiliated with the I**CO MITMA Residential Building Renovation Facility.**

- **ICO** guarantees to facilitate the purchase of a first home for people under 35 and families with dependent children, offering a guarantee that covers up to 20% of the mortgage loan, and up to 25% for homes with an energy rating of D or higher.

- We maintain and have new commitments to grant sustainable operations in line with the criteria of the European Investment Bank, the European Investment Fund and Sustainalytics.

- **Residential Energy Rehabilitation (RER) Scheme**, through funds from the ELENA programme (European Local Energy Assistance Facility) that will end in 2025.

- We continue with the **ENGAGE (Engage for ESG activation investments)** project, the only financial instrument in the European Union dedicated exclusively to the environment and climate action.

- We have the **Energy Efficient Mortgage Label (EEML)**. This label guarantees that our green mortgages and sustainable financing solutions meet the strictest environmental criteria.

- For the fifth consecutive year in Spain and the fourth consecutive year in Portugal, we have achieved Great Place to Work **(GPTW)** Certification.

- The project to review the organisation's key documentary framework has been completed, reinforcing the main frameworks, policies and procedures in accordance with applicable regulations and market best practices.

2.4. Double materiality analysis

Approach

The entry into force of the Corporate Sustainability Reporting Directive (CSRD) makes it compulsory to adopt the European Sustainability Reporting Standards (ESRS), and therefore to carry out the dual materiality study as a basis for identifying the content to be reported.

In 2023, we carried out the first dual materiality study aligned with the requirements of the new regulations and EFRAG's recommendations. The 2024 study is an update of the previous one, taking into account **Delegated Regulation 2023/2772 and EFRAG's implementation guide (IG 1 Materiality Assessment).**

It has covered two areas:

IMPACT MATERIALITY

Impacts of UCI on people and the environment

The IMPACTS, real or potential, positive or negative, of the company on people and the environment in the short, medium or long term are identified.

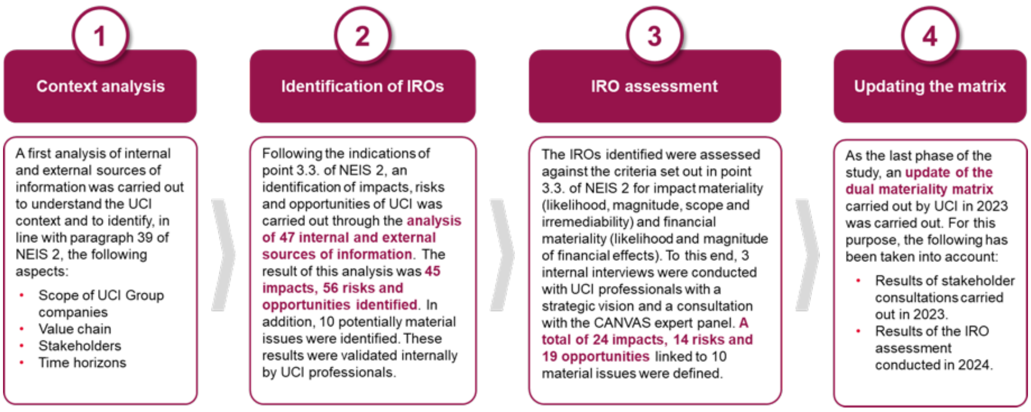
FINANCIAL MATERIALITY

Sustainability risks and opportunities for UCI

Sustainability RISKS and OPPORTUNITIES that have a material influence or could reasonably be expected to have a material influence on the company's development, situation or short, medium or long-term financial performance are identified.

Methodology

The phases of the study have been the following:



Consolidation of material topics 2024

Following the context analysis and as a result of phase 2, the material topics for 2023 have been consolidated to define the list of material topics for 2024. With the aim of obtaining topics with a broad focus and aligned with the ESRS, some topics have been integrated into the same one (Talent management and training and Customer experience and loyalty). With the same objective in mind, the topics have been renamed. Finally, two material topics from 2023 have been discarded as they fall within the mandatory ESRS report.

	MATERIAL TOPICS IN 2023	MATERIAL TOPICS IN 2024
A Environmental	Offering sustainable financial products	Sustainable and responsible financing
	Responsible environmental management	Responsible environmental management
S Social	Welfare and working conditions	Welfare and working conditions
	Diversity, equity and inclusion	Diversity, equity and inclusion
	Talent and training Efficiency in internal management	Talent management and training
	Quality of service and customer experience Transparency in communication	Customer experience and loyalty
	Contribution to society	Contribution to society
	Relationship with real estate professionals and other key stakeholders	Relationship with business partners
G Governance	Digital transformation	Privacy and data protection and cybersecurity
	Corporate governance and ethics	Business conduct
	Financial risk management and ESG Regulatory compliance	Discarded as material topics 2024 as they are mandatory contents of the NEIS 2 report.

Updating the double materiality matrix

For the construction of the 2024 double materiality matrix, the 2023 matrix has been updated, integrating the results of the current exercise. To this end, the following have been consolidated:

The results of the **surveys conducted in 2023 of internal and external stakeholders.**

The r**esults of the impact, risk and opportunity assessment carried out in 2024,** following the recommendations of the EFRAG implementation guide.

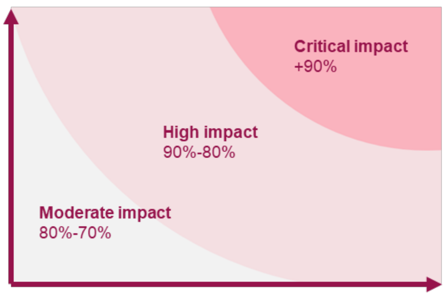
The consolidation of material topics carried out in Phase 2 has been used to update the matrix, so some topics from 2023 have been integrated into new topics in 2024.

DUAL MATERIALITY MATRIX 2024

Surveys in 2023 to:
- Clients
- Employees
- Suppliers
- Financial consultants
- Real estate professionals

Impact assessment 2024 based on:
- Interview with 1 director
- External CANVAS panel (participation of 9 experts)

IMPACT MATERIALITY (Stakeholder impact)



FINANCIAL MATERIALITY (Business impact)

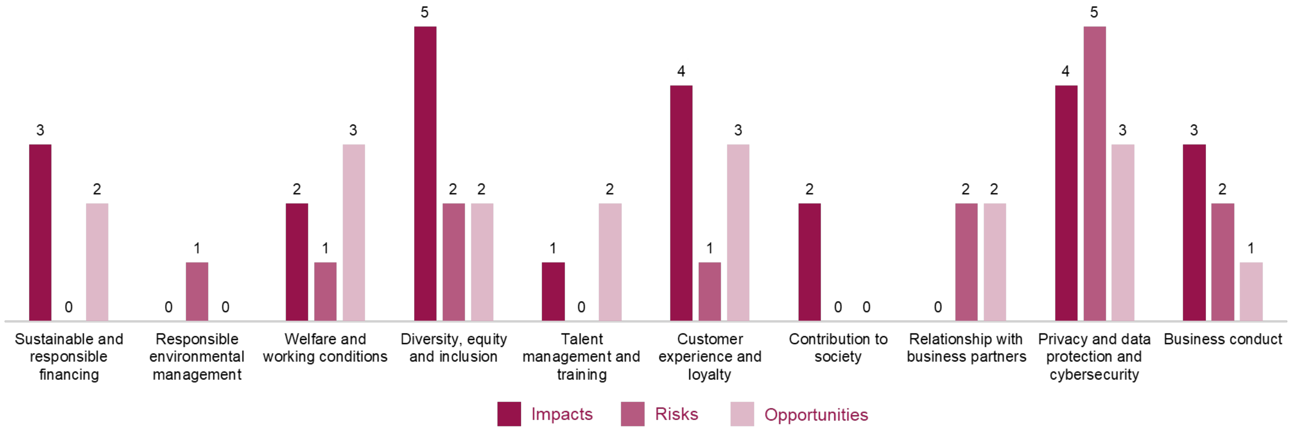
Surveys in 2023 to:
- Steering Committee

Risk and Opportunity Assessment 2024 based on:
- Interviews with 3 directors
- External CANVAS panel (participation of 3 experts)

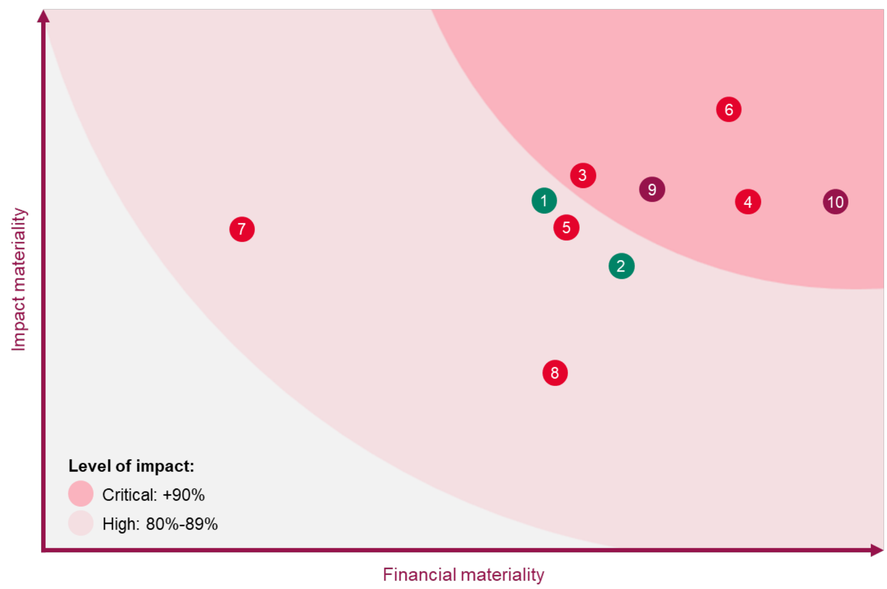
Main results: IRO and material topic

Comparison of material IRO by topic

UCI's own employee-related material topics are the ones that accumulate the most impacts. The topic **Diversity, Equity and Inclusion** stands out in particular. On the other hand, a considerable number of material impacts, risks and opportunities are concentrated in **Privacy and data protection and cybersecurity**, which demonstrates the relevance of this issue due to its possible financial and stakeholder impact. No material impacts linked to **Relationship with business partners** are identified. The issues **Sustainable and responsible financing**, **Talent management and training** and **Contribution to society** do not have any sustainability risks.



Main results: Double Materiality Matrix



1	Sustainable and responsible financing
2	Responsible environmental management
3	Welfare and working conditions
4	Diversity, equity and inclusion
5	Talent management and training
6	Customer experience and loyalty
7	Contribution to society
8	Relationship with business partners
9	Privacy and data protection and cybersecurity
10	Business conduct

Environmental Social Governance

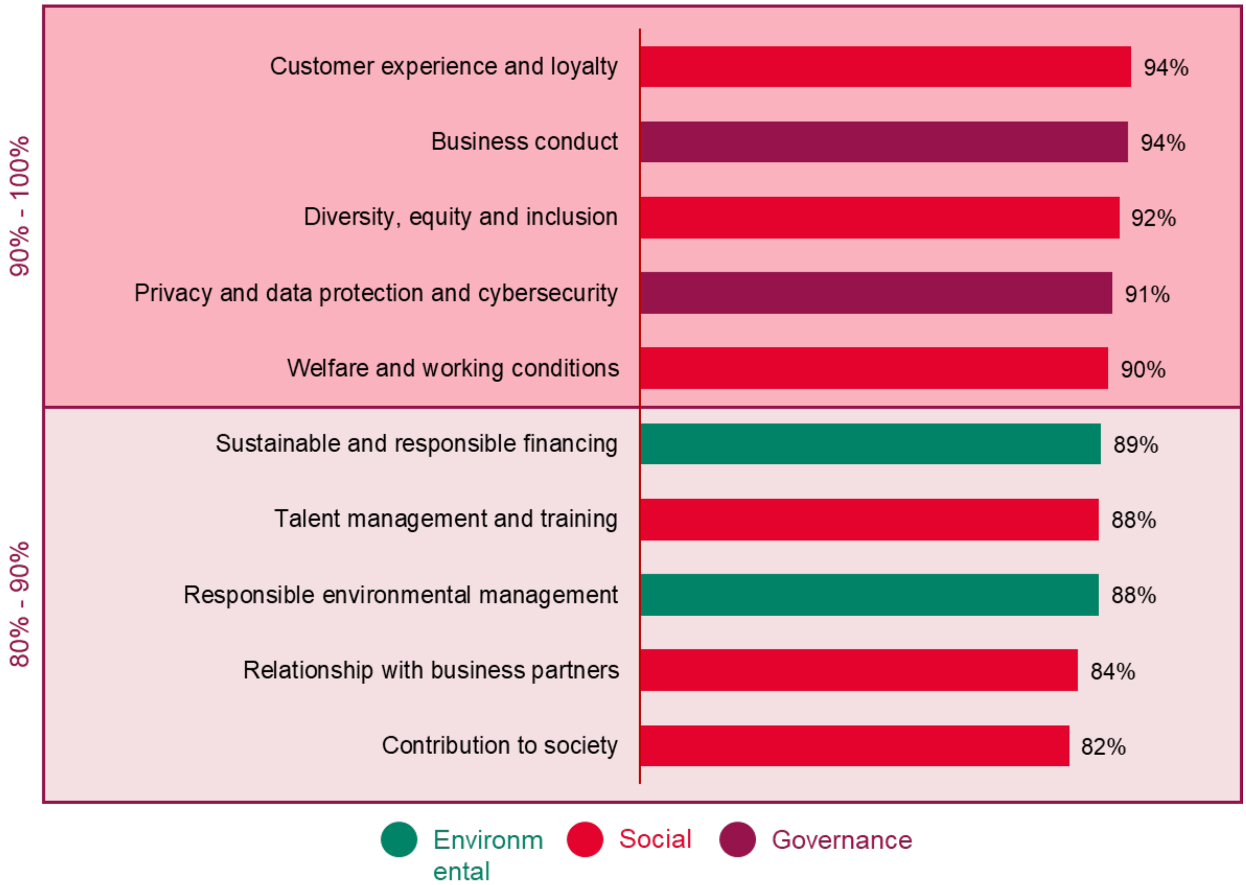
Material topics – Total results

There are five topics with a rating of 90% or higher and, therefore, considered priorities with a critical impact. Among these are the two material topics in the Governance category: **Business conduct** (94%) and **Privacy and data protection and cybersecurity** (91%).

Customer experience and loyalty is the topic with the greatest impact for UCI's stakeholders and business, although its total consolidated rating is the same as **Business conduct**: 94%.

The rest of the material topics have a high impact: their rating is above 80%. No material topic is below the threshold for moderate impact.

Contribution to society is the lowest rated material topic on the list.



Evolution of material topics

- With regard to the 2023 dual materiality study, some significant differences are perceived: **Business conduct** becomes the material topic with the greatest impact, ahead of Customer experience and loyalty.

- **Sustainable and responsible financing** is now among the five priority material topics.

- The least valued topic is no longer **Contribution to society** but **Relationship with business partners.**

UCI 2023 material topics	UCI 2024 material topics
Customer experience and loyalty	Business conduct
Business conduct	Customer experience and loyalty
Diversity, equity and inclusion	Privacy and data protection and cybersecurity
Privacy and data protection and cybersecurity	Diversity, equity and inclusion
Welfare and working conditions	Sustainable and responsible financing
Sustainable and responsible financing	Welfare and working conditions
Talent management and training	Talent management and training
Responsible environmental management	Responsible environmental management
Relationship with business partners	Contribution to society
Contribution to society	Relationship with business partners

Environmental Social Governance

2.5. Contribution to the 2030 Agenda

As a member of the Global Compact in Spain, we promote a vision aligned with the 2030 Agenda. For such purpose, we specify the Sustainable Development Goals to which we contribute with our business activity and our commitments, favouring sustainable development. Our efforts are focused on five priority SDGs, four interrelated SDGs and one cross-cutting SDG:

Priority SDGs

SDG 4. Quality education

We support the community, with a focus on education, especially financial education.

SDG 8. Decent work and economic growth

We promote the well-being and development of employees in a safe and diverse work environment that favours change, innovation and the achievement of objectives.

SDG 10. Reduction of inequalities

We contribute to people's well-being by promoting inclusive and diverse growth.

SDG 13. Climate action

We combat climate change and its effects with sustainable financing solutions to promote the decarbonisation of the building stock.

SDG 16. Peace, justice and strong institutions

We ensure a solid governance structure and a corporate culture throughout the organisation.

Interrelated and cross-cutting SDGs

SDG 5. Gender equality

We guarantee and develop equal treatment and opportunities for all.

SDG 7. Affordable and clean energy

We promote the refurbishment of buildings and the purchase of housing with the aim of improving energy efficiency and reducing CO2 emissions.

SDG 11. Sustainable cities and communities

We promote inclusive urbanisation and access to adequate housing through our sustainable financing and our related projects.

SDG 12. Responsible production and consumption

We encourage sustainable development and the knowledge and dissemination of responsible practices, both among our employees and among stakeholders.

SDG 17. Partnerships for the goals

We create national and international alliances that generate value for the company and our stakeholders.

03

We join the sustainable transition

3.1. We greenimise

E.0 Introduction

One of our priorities is the reduction of polluting emissions to curb climate change, which is why our **financing is sustainable** and our **products are responsible,** both for the home acquisition and renovation and the building rehabilitation.

We focus on **environmental footprint management**, in line with our responsibility, promoting a **circular economy** and s**ustainable use of resources.**

We have identified these material topics in our ESG Framework, Sustainability Plan and Sustainability Policy, as a sign of our contribution to the development of a committed economy and financial system and as a change accelerator.

Energy and environmental factors have been incorporated into the Business Continuity Management System to reduce the impact on continuity in the event of such a contingency, as part of the resources allocated to the prevention of environmental risks, which will be added to the resources dedicated at a later date. At 2024 closing, there are no items in the Consolidated Annual Accounts allocated to environmental provisions or guarantees.

At UCI, we approach our environmental management with the responsibility to operate in the most environmentally friendly manner, taking the necessary measures to mitigate our environmental impact. We continue making progress in environmental management to bring it into line with the precautionary principle.

Due to the activities we carry out, and to the geographical areas where we operate, we do not impact on protected areas. Therefore, we do not have measures in place to preserve or restore biodiversity.

Material topics: Sustainable and responsible financing and Responsible environmental management.

SDGs to which we contribute:

E.1 Taxonomy

The EU taxonomy is a classification system that helps companies and investors to identify which economic activities are environmentally sustainable. These activities must make a substantial contribution to at least one of the climate and environmental targets set by the EU, without significantly harming the others, while complying with minimum safeguards.

It is governed by a main regulation and two supplementary regulations:

Delegated Regulation (EU) 2020/852 on Taxonomy	**Delegated Regulation (EU) 2021/2178 on the sustainability rating of activities**	**Delegated Regulation (EU) 2021/2139 on technical selection criteria**

Article 9 of the Taxonomy Regulation sets out the 6 climate and environmental objectives:

Climate change mitigation	Adaptation to climate change	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems

También indica 4 condiciones generales que debe cumplir una actividad económica para ser considerada ambientalmente sostenible:

Contribute substantially to at least one of the six European climate objectives	Do not significantly harm any of the other five	Comply with minimum safeguards	Comply with the technical selection criteria

To ensure that activities contribute substantially to one of these objectives, while not causing significant harm to another, technical selection criteria are established. So far, technical criteria have been established for the first two objectives, climate change mitigation and adaptation.

At UCI, due to our activity and our business lines, we have identified the following points:

Point 7.1: Construction of new buildings.

The primary energy demand, which determines the energy performance of the building being constructed, is at least 10% below the threshold set in relation to requirements for nearly zero energy buildings (NEC).

Point 7.2: Renovation of existing buildings

The building renovation results in a reduction of primary energy demand of at least 30% (resulting from an actual reduction of primary energy demand).

Point 7.7: Building acquisition

In relation to a substantial contribution to climate change mitigation:

- Buildings constructed before December 31, 2020; the building has an energy performance certificate of class A as a minimum.

  Alternatively, the building forms part of the top 15% of the most energy efficient buildings in the national or regional building stock, in terms of operating primary energy demand (PED).

- For buildings constructed after December 31, 2020, the building meets the criteria set out in section 7.1 that are relevant at the time of acquisition.

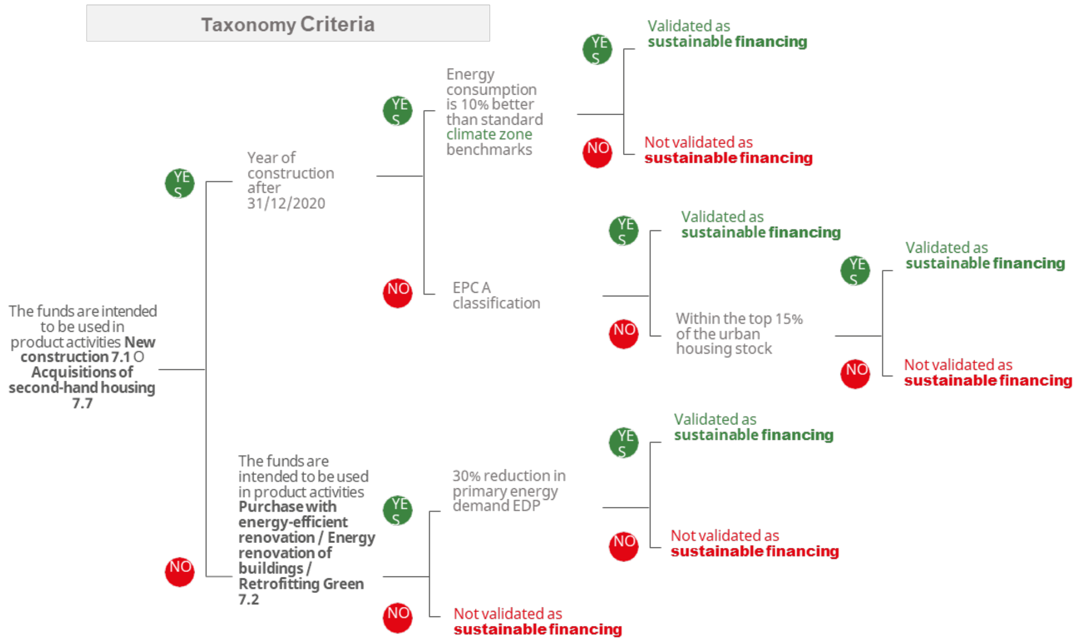
Eligibility

As already reported in 2023, 100% of our portfolio is eligible, as our business lines directly address the three points described above:

- Point 7.1 in relation to our new-build and self-build finance products.
- Point 7.2 as the whole refurbishment business; Energy Efficiency Retrofit Purchase, Energy Rehabilitation of Buildings and Green Refurbishment.
- Point 7.7 considering loans for the purchase of second-hand housing.

Alignment

In 2024, we have identified transactions in our portfolio that are aligned and meet the aforementioned technical selection criteria. This can be seen in the following diagram:



As a result of the above, and as a leading indicator, we provide our Green Asset Ratio (GAR). With this, we can identify how much of the classified portfolio is aligned with the taxonomy, i.e. green assets that meet the technical selection criteria.

In order to calculate the GAR, our outstanding balance and assets classified as green are taken into account:

Country	Taxonomy alignment	Amount	Weight
Spain	7.1 Construction 10% nzeb improvement *(100% real e	15,957,749.49	3%
	7.2 Reform 30% improvement	48,861,825.37	9%
	7.7 Acquisition 15% best in class *(22% real epc)	316,530,777.28	58%
	Outstanding balance Taxonomy alignment	381,350,352.44	
	Total Outstanding Balance	7,640,586,174.44	
	GAR	**4.99%**	
Portugal	7.1 Construction 10% nzeb improvement *(100% real e	24,791,012.11	5%
	7.7 Acquisition 15% best in class *(93% real epc)	141,029,904.70	26%
	Outstanding balance Taxonomy alignment	165,820,916.81	
	Total Outstanding Balance	1,048,936,827.37	
	GAR	**15.81%**	

Total Taxonomy aligned	547,171,269.25
Total Outstanding Balance	8,689,523,001.81
GAR	**6.30%**

Below, we share the detail in the templates set out in the Taxonomy Regulation.

0. Summary of key indicators to be disclosed by credit institutions in accordance with art. 8 of the Taxonomy regulation					
		Total environmentally sustainable assets	Key performance indicator	Key performance indicator	% coverage (of total assets)
Main KPI	Green asset ratio (GAR) in terms of stock	547,17			6,30%
		Total environmentally sustainable assets	**Key performance indicator**	**Key performance indicator**	**% coverage (of total assets)**
Additional KPIs	GAR (flow)	3.932			4,27%
	Trading portfolio		-	-	-
	Financial guarantees				
	Assets under management		-	-	-
	Fee and commission income				

1. Assets for the GAR calculation																	
2024																	
		Carrying amount (Gross) Total	**Climate Change Mitigation (CCM)**					**Climate Change Adaptation (CCA)**					**TOTAL (CCM + CCA)**				
			Of which: a taxonomy-relevant sectors (taxonomy-eligible)					Of which: a taxonomy-relevant sectors (taxonomy-eligible)					Of which: a taxonomy-relevant sectors (taxonomy-eligible)				
				Of which: environmentally sustainable (conforming to the taxonomy)					Of which: environmentally sustainable (conforming to the taxonomy)					Of which: environmentally sustainable (conforming to the taxonomy)			
Millions of Euros					**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**
1	**GAR - Assets included in both numerator and denominator**																
2	Loans and advances, debt securities and equity instruments not held for tradingadmissible for the GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Financial companies**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Other financial companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Of which: insurance companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	**Non-financial corporations**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Non-financial companies subject to disclosure obligations under the Directive on disclosure of financial information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

25	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	**Households**	**8.690**	**547**	-	**547**	-	-	-	-	-	-	-	**547**	-	**547**	-	-
27	Of which: loans secured by residential property	8.638	512	-	512	-	-	-	-	-	-	-	512	-	512	-	-
28	Of which: building renovation loans	51	35	-	35	-	-	-	-	-	-	-	35	-	35	-	-
29	Of which: car loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	**Local government funding**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Security interests obtained by taking possession: residential and commercial property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Local government funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Other assets excluded from the numerator for the calculation of the GAR (included in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	**Financial and non-financial corporations**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	SMEs and non-financial corporations (other than SMEs) not subject to disclosure requirements under the DINF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Of which: loans secured by residential property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Non-EU counterparties not subject to disclosure obligations under the NDFIs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**Derivatives**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Interbank overnight loans**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Cash and cash-related assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Other assets (goodwill, raw materials, etc.)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Total assets of the GAR**	**8.690**	**547**	-	**547**	-	-	-	-	-	-	-	**547**	-	**547**	-	-
50	**Other assets not included in the GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Sovereign issuers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	Exposures to central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Trading portfolio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54	**Total assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures - Companies subject to DINF disclosure requirements																	
56	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	Of which: debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	Of which: equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2. Information on the GAR sector (turnover)												
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
	Non-financial corporations (Subject to NFRD)		SMEs and other companies not subject to NFRD		Non-financial corporations (Subject to NFRD)		SMEs and other companies not subject to NFRD		Non-financial corporations (Subject to NFRD)		SMEs and other companies not subject to NFRD	
	Carrying amount [Gross]		Carrying amount [Gross]		Carrying amount [Gross]		Carrying amount [Gross]		Carrying amount [Gross]		Carrying amount [Gross]	
Sectoral breakdown - NACE 4-digit level (code and name)	**millions of Euros**	**Of which environmentally sustainable (ESG)**	**millions of Euros**	**Of which environmentally sustainable (ESG)**	**millions of Euros**	**Of which environmentally sustainable (ESA)**	**millions of Euros**	**Of which environmentally sustainable (ESA)**	**millions of Euros**	**Of which environmental-environmentally sustainable (CCM+CAA)**	**millions of Euros**	**Of which environmentally sustainable (CCM + CCA**
F41 - Construction of buildings	**8.690**	**547**	-	-	-	-	-	-	**8.690**	**547**	-	-

3.Key performance indicator of the GAR in terms of stocks																	
2024																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					
			Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)					Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)					Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)				
% (compared to total assets included in the denominator)				Of which: specialised funding	Of which: transitional	Of which: facilitators			Of which: specialised funding	Of which: transitional	Of which: facilitators			Of which: specialised funding	Of which: transitional	Of which: facilitators	Share of total assets covered
1	**GAR - Assets included in both numerator and denominator**																
2	Loans and advances, debt securities and equity instruments not held for tradingadmissible for the GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Financial companies**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Other financial companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Of which: insurance companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	**Non-financial corporations**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Non-financial companies subject to disclosure obligations under the Directive on disclosure of financial information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	**Households**	**100,0%**	**6,3%**	**6,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**100,0%**	**5,9%**	**5,9%**	**0,0%**	**0,0%**	**100,0%**
27	Of which: loans secured by residential property	99,4%	5,9%	5,9%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	99,2%	5,6%	5,6%	0,0%	0,0%	99,2%
28	Of which: building renovation loans	0,6%	68,4%	68,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,8%	41,4%	41,4%	0,0%	0,0%	0,8%
29	Of which: car loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	**Local government funding**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Security interests obtained by taking possession: residential and commercial property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Local government funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	Total assets of the GAR	**100,0%**	**6,3%**	**6,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**100,0%**	**5,9%**	**5,9%**	**0,0%**	**0,0%**	**100,0%**

	4. Key performance indicator of the GAR in terms of flows																
	2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					
			Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)					Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)					Proportion of total assets covered that finance taxonomyrelevant sectors (taxonomy-compliant)				
	% (compared to the flow of assets included in the denominator)			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**	**Share of total assets covered**
1	**GAR - Assets included in both numerator and denominator**																
2	Loans and advances, debt securities and equity instruments not held for tradingadmissible for the GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Financial companies**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Other financial companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Of which: insurance companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	**Non-financial corporations**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Non-financial companies subject to disclosure obligations under the Directive on disclosure of financial information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Debt securities, including statement on use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	**Households**	**100,0%**	**4,3%**	**4,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**		**0,0%**	**0,0%**	**100,0%**	**3,9%**	**3,9%**	**0,0%**	**0,0%**	**100,0%**
27	Of which: loans secured by residential property	99,6%	4,1%	4,1%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	99,7%	3,7%	3,7%	0,0%	0,0%	99,7%
28	Of which: building renovation loans	0,4%	47,5%	47,5%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,3%	45,6%	45,6%	0,0%	0,0%	0,3%
29	Of which: car loans	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
30	**Local government funding**	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
31	Security interests obtained by taking possession: residential and commercial property	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
32	Local government funding	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
49	**Total assets of the GAR**	**100,0%**	**4,3%**	**4,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**		**0,0%**	**0,0%**	**100,0%**	**3,9%**	**3,9%**	**0,0%**	**0,0%**	**100,0%**

		2024														
		Climate Change Mitigation (CCM)					Climate Change Mitigation (CCM)					TOTAL (CCM + CCA)				
		Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-eligible)					Proporción del total de activos cubiertos que financian sectores pertinentes para la taxonomía (elegibles según la taxonomía)				
			Of which: environmentally sustainable (conforming to the taxonomy)					Of which: environmentally sustainable (conforming to the taxonomy)					De los cuales: medioambientalmente sostenibles (que se ajustan a la taxonomía)			
	% (compared to the flow of adminisble off-balance sheet assets)			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**			**Of which: specialised funding**	**Of which: transitional**	**Of which: facilitators**
1	Financial guarantees (financial guarantees key performance indicator)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (key performance indicator for assets under management)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

6. Key performance indicator on fee and commission income from non-lending and asset management services														
			Fees and commissions key performance indicator - 2024											
		Carrying amount (Gross) Total	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
			Of which: a taxonomy-relevant sectors (taxonomyeligible)				Of which: a taxonomy-relevant sectors (taxonomyeligible)				Of which: a taxonomy-relevant sectors (taxonomyeligible)			
				Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total assets covered that finance taxonomy-relevant sectors (taxonomy-compliant)		
% (compared to the flow of adminisble off-balance sheet assets)					**Of which: transitional**	**Of which: transitional**			**Of which: transitional**	**Of which: transitional**			**Of which: transitional**	**Of which: transitional**
1	Income from fees and commissions of companies subject to DINF - Services other than the granting of loans		-	-	-	-	-	-	-	-	-	-	-	-
2	Served to financial companies		-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions		-	-	-	-	-	-	-	-	-	-	-	-
4	Other financial companies		-	-	-	-	-	-	-	-	-	-	-	-
5	Of which: investment firms		-	-	-	-	-	-	-	-	-	-	-	-
6	Of which: management companies		-	-	-	-	-	-	-	-	-	-	-	-
7	Of which: insurance companies		-	-	-	-	-	-	-	-	-	-	-	-
8	Non-financial corporations		-	-	-	-	-	-	-	-	-	-	-	-
9	Counterparties not subject to DINF disclosure obligations, including third-country counterparties		-	-	-	-	-	-	-	-	-	-	-	-

7. Key performance indicator for the trading book																				
		Fair value	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)						TOTAL (CCM + CCA)					
			Absolute purchases		Absolute sales		Absolute purchases plus absolute sales		Absolute purchases		Absolute sales		Absolute purchases plus absolute sales		Absolute purchases		Absolute sales		Absolute purchases plus absolute sales	
			millions of Euros	Of which environmentally sustainable (ESG)	millions of Euros	Of which environmentally sustainable (ESG)	millions of Euros	Of which environmentally sustainable (ESG)	millions of Euros	Of which environmentally sustainable (ESA)	millions of Euros	Of which environmentally sustainable (ESA)	millions of Euros	Of which environmentally sustainable (ESA)	millions of Euros	Of which environmental-environmentally sustainable (CCM+CAA)	millions of Euros	Of which environmental-environmentally sustainable (CCM+CAA)	millions of Euros	Of which environmental-environmentally sustainable (CCM+CAA)
1	**F41 - Construction of buildings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial companies**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other financial companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which: insurance companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Non-financial companies subject to disclosure requirements under the DINF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	**Counterparties not subject to DINF disclosure obligations, including third-country counterparties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

“Do Not Significant Harm”

We consider that, due to UCI’s own business activity (financing the purchase of housing, its refurbishment or the rehabilitation of buildings), compliance with the regulations corresponds to the value chain involved in each of the phases up to the completion of the refurbishment, rehabilitation or purchase of the property by the end customer, and therefore, at UCI, we understand that this requirement is considered to be fulfilled.

Minimum safeguards: At UCI, we are committed to human rights and our behaviour is responsible and in line with international standards and guidelines in this area, both in our internal and external relations.

Our activity ensures compliance with the following:

- The International Bill of Human Rights, consisting of the Universal Declaration of Human Rights proclaimed in 1948 by the United Nations General Assembly, the International Covenant on Civil and Political Rights and its two protocols, and the International Covenant on Economic, Social and Cultural Rights.
- The International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work and its eight fundamental conventions.
- The International Labour Organisation Tripartite Declaration on Multinational Enterprises and Social Policy.
- The UN Guiding Principles on Business and Human Rights.
- National Action Plan on Business and Human Rights.
- The OECD Guidelines for Multinational Enterprises.
- The ten principles of the UN Global Compact.

E.2 Sustainable Finance Rating System

Our Sustainable Finance Classification System (SCFS) sets out the methodology used to classify our products as sustainable finance. It is designed to ease the classification, monitoring and reporting of our sustainable finance activities, as well as to guide the development of sustainability-themed products for our customers.

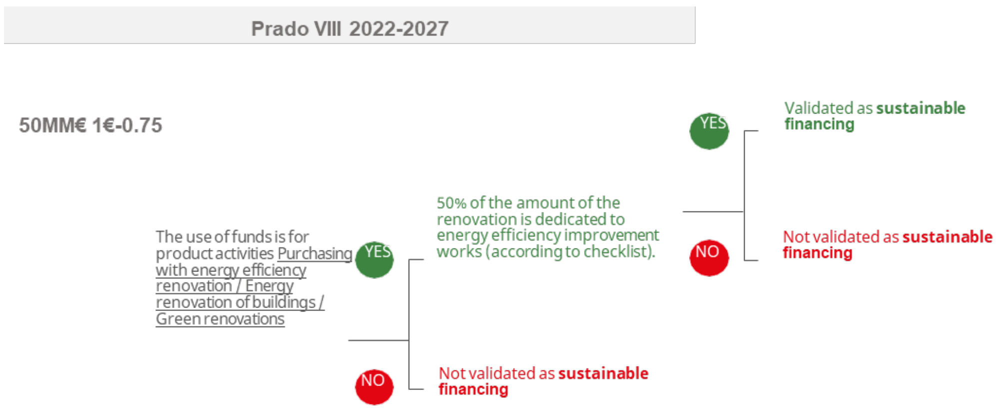
It is based on internationally recognised sectoral guidelines and principles, such as the ICMA Green and Social Bond Principles, the Climate Bond Standard and the EU Taxonomy.

It has been reviewed by Sustainalytics, which allows us to confirm the development in the eligibility criteria and provides us with a second opinion on our sustainable funds and bonds.

Our sustainability-linked products aim to enable our customers to achieve their sustainable goals and commitments to environmental and social activities.

In the more general case of sustainability-linked lending, operations are structured and assessed using the latest version of the SCIB Sustainability Lending Guidelines. At UCI, we have identified three financing criteria:

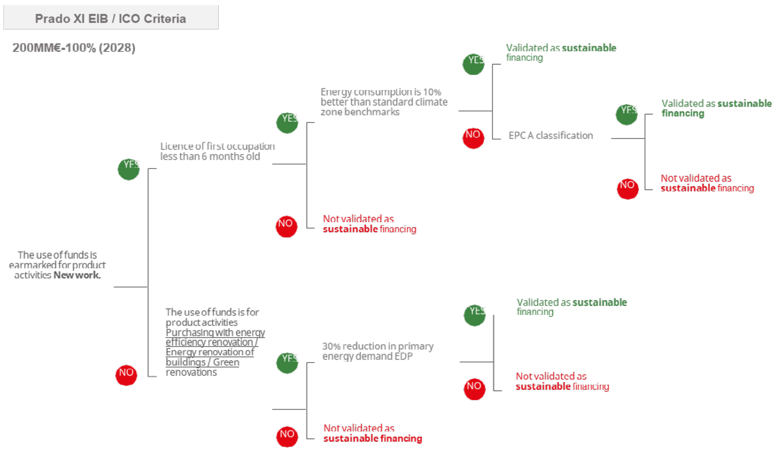
- Eligible by Taxonomy.
- Eligible under agreements with the EIB.
- Eligible under agreements with the EIF.
- Eligible by Sustainalytics.

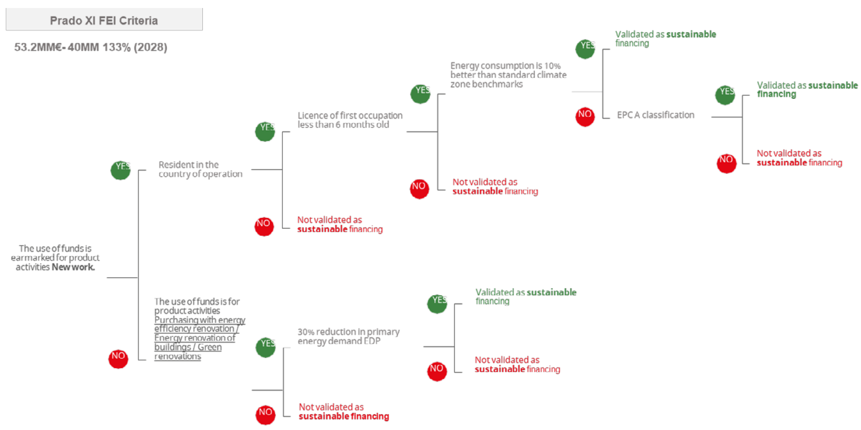


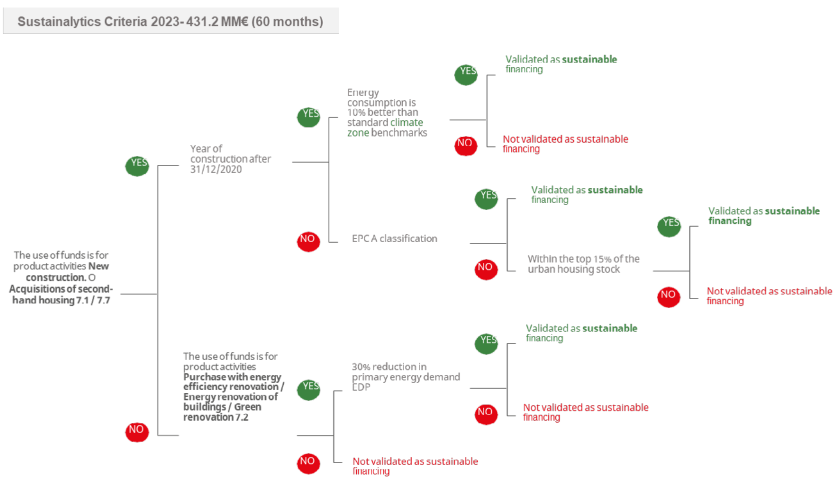
All funding activities defined as sustainable under the system above are screened and validated to ensure compliance with the selection criteria, following a specialised verification process.

All information and tools related to the SCFS are reported to the Steering Committee on a monthly basis. On a quarterly basis, we report to the European Investment Bank and publish the EEML Harmonised Disclosure Template on the corporate website.

This System is regularly reviewed and updated, reflecting evolving market practice on sustainability.







E.3 Financing the fight against climate change

We understand sustainability as a global challenge that motivates us to achieve the decarbonisation of cities by 2050 and we address it as part of our ESG commitment. To this end, we promote the purchase of energy-efficient homes and the refurbishment of the housing stock. These lines are supported by the commitments we make and our green bonds.

Our progress in green financing

We show the percentage of green financing in relation to total annual financing and its variation with respect to the previous year.

	Mortgages					Rehabilitation				
	2023		2024			2023		2024		
	M€	%	M€	%	Variation	M€	%	M€	%	Variation
Spain	43.08	18.16%	69.55	24.00%	61.45%	19.33	82.74%	35.94	78.15%	85.94%
Portugal	34.41	27.09%	36.05	23.53%	4.76%	N/A	N/A	N/A	N/A	N/A

Energy Efficiency Label (EEML)

The **Energy Efficiency Label (EEML)**, promoted by the European Mortgage Federation, is a label that recognises us as an organisation that complies with the highest standards in the granting of sustainable mortgages. It provides:

- **Transparency and trust:** the EEML guarantees that the mortgages offered comply with rigorous environmental criteria.
- **Financing for efficient properties:** labelled mortgages make it possible to finance the purchase, construction or renovation of properties with high energy efficiency standards.

The EEML does not only benefit customers, but also provides investors and financial institutions with greater clarity on the sustainability and performance of mortgage loans in their portfolios.

Projects linked to our sustainable financing

Residential Energy Rehabilitation (RER) Scheme

In the final year of the Residential Energy Rehabilitation (RER) Scheme, we have focused our efforts on carrying out the work necessary to achieve our objectives. This project, financed by the ELENA programme (a joint initiative of the European Investment Bank and the European Commission), offers a comprehensive solution to improve energy efficiency and building savings, providing the necessary services to carry out these improvement works.

The RER project in Spain has made significant progress in the refurbishment works, and the coming months are crucial as the end of the project is near. The main achievements and milestones are as follows:

Main achievements:

1. Energy efficiency improvements: significant improvements in the energy efficiency of residential buildings, with the aim of reducing energy consumption and carbon emissions.

2. Renewable energy integration: installation of renewable energy sources to improve sustainability.

3. Community participation: successful community outreach programmes to educate and involve local residents in energy-saving practices.

Planned milestones:

1. Final inspections and certifications: carrying out exhaustive inspections to guarantee that all the rehabilitation work meets the required standards and obtaining the necessary certifications.

2. Achieving the leverage factor: ensuring that the project meets the required financial leverage factor, demonstrating the effective use of funds and attracting additional investment.

3. Project closure: completing all project activities, including the production of final reports, satisfaction surveys and documentation. We will officially conclude the Project with a final corporate event to be held next April.

These milestones will not only mark the successful completion of the RER project, but will also establish a benchmark for future energy efficiency and refurbishment projects in Spain.

ENGAGE for ESG activation investments

We continue developing the ENGAGE for ESG activation investments project, in its third and last year. Coordinated by European Datawarehouse, it focuses on the search for a data model for green loans, standardising and identifying the most relevant fields to form a Green Investment Portal that allows consumers to have access to this type of loans.

In the last year, progress has continued to be made in defining the fields that make up the final templates to be implemented in the ESG platform. The project's coordinating team is strengthening the communication plan and the marketing strategy so that different financial institutions and other companies include the project's platform in their activities.

Commitments and green bonds

Sustainalytics

Our agreement with Sustainalytics focuses on the creation of a framework based on the Green Bond Principles, for financing the fight against climate change.

We acquired a second green financing commitment of 432.2 million Euros on October 2023 and in 2024 we have reached a total of 124,8 million Euros.

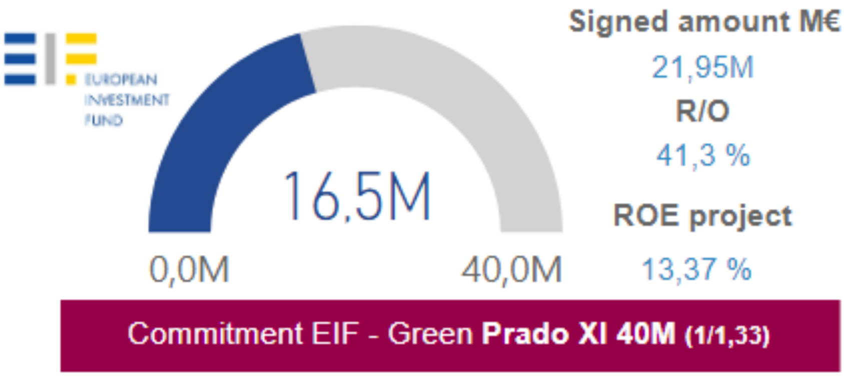
European Investment Bank, European Investment Fund and Green Bonds: Prado VIII and Green Prado XI

Since 2020, we hold an agreement with the **EIB** to promote energy efficiency projects in Spain and Portugal.

In 2024, we have complied with the **FT RMBS Prado VIII**, which, with the commitment reached with the EIB, involves financing the energy-efficient renovation of buildings, for an amount of 50 million Euros.

The EIB is also involved in our **RMBS Green Prado XI** securitisation fund with an investment commitment of 240 million Euros, of which 200 million Euros have already been disbursed. The European Investment Fund (EIF) has approved its participation in the fund with a commitment of 40 million Euros.

In 2024, we have complied with 14.3 million Euros with the EIB and 16.5 million Euros for the **EIF.**



E.4 Our environmental footprint

We minimise our impact on the environment

In our fight against climate change, we focus on sustainable financing and decarbonisation of the building stock as strategic lines. We are also responsible with our footprint management, so we try to minimise the impact of our activities on the environment.

Consequently, our headquarters in Spain and Portugal have characteristics aligned with that responsibility. In Spain, the **Visionary building** gives us greater flexibility in space and has LEED and WELL strategies to achieve optimal levels of energy efficiency, sustainability and wellbeing in construction. In Portugal, the move to **Torre das Amoreiras** allows us to reduce our environmental footprint and obtain ISO 14001 environmental certification.

We use the service of the GreeMko platform, which allows us to carry out the best monitoring and control of our data. The software developed by **GreeMko** has been verified under the GHG Protocol standard, following the calculation guidelines of IPCC (International Panel on Climate Change), for the calculation of carbon footprint of Scopes 1, 2 and 3. Moreover, it meets the requirements of calculation, monitoring and traceability of the information required by the ISO 14064-1:2018 standard.

Circular economy and waste management

100% of the paper related to the documentation of our work in Spain and Portugal is recycled. The rest of the urban waste, both in Spain and Portugal, is managed by the buildings' owners through the local Councils.

As indicated in previous reports, our method of disposal of all waste is checked through:

- Destruction certificates issued by the different suppliers and authorised handlers;
- Information collected in the waste management control and monitoring documents **(Waste Chronological Archive).**

The waste recycled in Spain and Portugal is the following:

Environmental matters	Jan 2024 - Dec 2024	Jan 2023 - Dec 2023	Var. %
Waste			
Battery and accumulator waste	0,08 t	0,00 t	100.00%
Ink and toner cartridge waste	0,10 t	0,03 t	266.63%
Paper waste	9,34 t	8,83 t	5.68%
Waste electrical and electronic equipment	0,39 t	0,11 t	255.45%
Alkaline battery waste	0,01 t	0,00 t	100.00%
Total:	**9,92 t**	**8,97 t**	**10.55%**

All types of waste are slightly affected by an increase, with paper waste and electrical and electronic equipment being the most affected.

Due to our own business activity, we do not consider it relevant to take measures or actions to combat food waste.

Sustainable consumption of resources

We promote the efficient and sustainable consumption of resources through initiatives aimed at optimising them.

Environmental matters	Jan 2024 - Dec 2024	Jan 2023 - Dec 2023	Var. %
Water consumption	1.820,21 m³	754,83 m³	141.14%
Natural gas consumption	0,00 kWh	3.769,67 kWh	-100.00%
Diesel oil consumption	3.765,98 l	7.573,89 l	-50.28%
Petrol consumption	115.903,83 l	113.691,97 l	1.95%
Electricity consumption	417.342,09 kWh	432.299,23 kWh	-3.46%
Paper consumption	7.860,92 kg	7.204,68 kg	9.11%

Water: Our water consumption comes from the mains, so it is considered that there is no significant impact on water sources. Water consumption has increased by 141.14% compared to last year, mainly due to the UCI Spain headquarters where there are more drinking water fountains and a greater number of days of attendance.

Paper: Paper accounts for the main consumption of materials used in our offices. Paper consumption is in line with the previous year, with a slight increase of 9.11%.

Electricity: The main source of energy is electricity. This year, we continue to reduce this source by -3.46%, thanks to the characteristics of the buildings where both headquarters are located, which allow for considerable energy savings.

Natural gas: We do not have any offices that will need this energy source in 2024.

Petrol-diesel: In 2023, we changed our vehicle fleet in Spain; despite this, in 2024 a residual number of vehicles continue to use this type of energy, allowing an improvement of 50.28% over the previous year.

Petrol: The consumption of petrol as an energy source for the car fleet remains in line with the previous year.

During 2024, no additional measures have been taken, beyond the monitoring of consumption and waste segregation.

GHG emissions

In relation to emissions, we regularly apply environmental criteria and rationalisation of expenditure, which favour the reduction of CO2 emissions, encouraging the choice of means of transport with lower emissions and promoting the shared use of vehicles.

The GreeMko platform allows us to detail the emissions included in each scope:

SCOPE 1: DIRECT EMISSIONS

It includes emissions generated by installations, through the consumption of fuels such as diesel, natural gas, diesel A and petrol.

SCOPE 2: INDIRECT EMISSIONS FROM ELECTRICITY

It includes emissions from electricity consumption, in Spain and Portugal. In Spain, in 2024, we have 100% renewable energy certification for all offices, except for Madrid (Avenida de Córdoba), Palma de Mallorca and Malaga.

SCOPE 3: OTHER INDIRECT EMISSIONS

It includes other indirect activities in Spain and Portugal, such as emissions from train, plane and vehicle journeys (excluding company vehicles), in addition to paper consumption and waste management in Spain and Portugal.

In this sense, in 2024, emissions in tonnes (t) from these parameters totalled 728.37 t/CO2eq versus 683.63 t/CO2eq in 2023 (business travel emissions have been modified for 2023 to include trips that were not managed by the usual process).

Environmental matter	Jan 2024-Dec 2024		Jan 2023-Dec 2023	
	tCO_2e	%	tCO_2e	%
Scope 1	**233.7224**	**32.09%**	**236.8096**	**34.64%**
Natural gas consumption	0	0.00%	0.6878	0.29%
Diesel oil consumption	9.4722	4.05%	19.0819	8.06%
Petrol consumption	224.2502	95.95%	217.0399	91.65%
Scope 2	**96.8247**	**13.29%**	**108.2437**	**15.83%**
Electricity consumption	96.8247	100.00%	108.2437	100.00%
Scope 3	**397.8195**	**54.62%**	**338.5756**	**49.53%**
Category 5 - Waste generated in the activities of organisations				
Battery and accumulator waste	0.0017	0.00%	0	0.00%
Ink and toner cartridge waste	0.2425	0.06%	0.0661	0.02%
Paper waste	0.0598	0.02%	0.188	0.06%
Waste electrical and electronic equipment	0.0025	0.00%	0.0023	0.00%
Alkaline battery waste	0.0003	0.00%	0	0.00%
Category 6 - Business travel				
Petrol consumption	36.3987	9.15%	38.7387	11.44%
Business travel programmes	3.0075	0.76%	1.9241	0.57%
Business travel	358.1066	90.02%	297.6563	87.91%
Total Carbon Footprint:	**728.3665**	**100.00%**	**683.6288**	**100.00%**

Due to the activity in which we are engaged, we do not generate a significant volume of polluting emissions or discharges, environmental noise or light pollution. Our most representative emissions are those derived from transport on business trips and the use of petrol.

Calculations of greenhouse gas emissions are given in tonnes of CO2, which include the remaining greenhouse gases from the combustion of the energy sources used at UCI. These gases are mainly CO2, N2O and CH4.

No reduction targets have been set for GHG emissions. A new three-year sustainability plan will be developed during 2025.

Indicators related to “We greenimise” can be found in section 4.1 of the report - Environmental Indicators.

3.2. We accompany you

S.0 Introduction

Relationships with our main stakeholders are a key piece to the activity development

Our employees are one of our main stakeholders; therefore, questions such as t**alent and people development, diversity, equality and inclusion** are relevant social themes.

Customers are our **focus** and, as a responsible business, we build long-term relationships of trust, focused on customer satisfaction and loyalty. We have a commitment to society, which is why we have a **programme of social action and volunteering** focused on financial education and on people at risk of social exclusion.

With more than 30 years of experience in the real estate sector, we promote the **professionalisation of this sector** through the most specialised training to achieve the best practices in the business.

All these lines of work are part of our ESG framework and Sustainability Plan, and respond to the commitments made to stakeholders in the Sustainability Policy.

Material topics: Well-being and working conditions, Diversity, equity and inclusion, Talent management and training, Experience and customer loyalty, Contribution to society, Relationship with business partners,

SDGs to which we contribute:

S.1 People First

We are a GPTW

At UCI, we have a solid organisational culture and corporate values, which allow us to develop our own leadership style, aligned with the strategy, and create a favourable environment for the personal and professional development of our people.

In 2024, for the fifth year in a row, we have renewed the **Great Place to Work®** certification that recognises us as such, one of the most prestigious distinctions in the field of Human Resources at national and international level.

The **overall trust index (Spain and Portugal) was 75%**, 10 points above the 65% required to achieve certification. The participation rate in both countries was 92%.

This survey provides us with a global diagnosis of the organisation on the essential issues for the corporate culture to drive the achievement of UCI's objectives.

During 2024, in order to work on the issues where improvement was needed, meetings were held with the areas and action plans were developed linked to the results obtained the previous year.

A. Talent management and people development

We focus on enhancing the professional growth of everyone in the organisation and support the enrichment of the employee experience and their development, in order to maintain and enhance their commitment and pride in belonging to the organisation.

We have developed **initiatives** focused on talent at UCI, in order to boost their engagement and professional development.

- **Young Talent / Talent Scholarships.** This is a project to attract the company's youngest talent, so that they can develop their professional career at UCI, promoting intergenerational relationships and sharing knowledge and experiences.

- **Talentum.** The aim of this initiative is to generate growth opportunities for our employees with a positive impact on the company, to turn talent management into an objective tool for decision-making and a path for the professional development of each employee.

- **Leadership school.** It is a learning environment in which we identify people with leadership skills in order to accompany them in their professional development as leaders according to the needs of the company at all times. We promote the learning of the style of leadership that we want at UCI, working towards defined and measurable behaviours.

- **Prodis Scholarships.** We collaborate with the Prodis Foundation in various initiatives, one of which is the internships carried out by the foundation's students to promote the inclusion of people with intellectual disabilities in the workplace. Every year one of their students does an internship in one of our departments.

We continue to promote **internal mobility**, which amounted to 140 people in Spain and 9 people in Portugal, in 2024, as it is an essential element in the development of people because it allows UCI professionals to have a global vision of the organisation, broaden their knowledge and continue training, and allows for an appropriate distribution of people.

Finally, this year in Spain, 6 people have **joined the workforce**, 4 women and 2 men. And we have awarded 7 grants, 5 of which went to men and 2 to women.

In Portugal, 4 people have joined the workforce, 3 women and 1 man, and we have had 3 interns throughout the year, one of whom has joined the workforce.

We have different tools and initiatives that allow us to **assess and monitor** our talent:

- We have carried out **performance appraisals** of employees in both Spain and Portugal, with average values of 3.31 and 3.47 (out of 4). Performance appraisal measures both the result and the achievement of objectives, as well as the way in which values and skills are brought into play to reach these objectives.

- As part of the leaders' development, the **Feedback 360** survey has been carried out, in which employees and managers are asked about the behaviours that define our leadership style. The result is shared with each manager, and an overall assessment is made with the director of each area, in case it is necessary to establish a development plan. A total of 89 surveys were carried out, in Spain and Portugal (this year, peers have not been included, so it has been launched to fewer managers).

B. Training

Training and learning are two key elements for the development of skills required by the organisation to face the new objectives and strategies.

We have maintained and updated the topics in the "Aprendizándome" training platform. The 15 topics from 2024 are maintained, with the particularity of assigning only one topic per training content. In 2024, we have updated the most common Learning Lists and we have eliminated the least used ones, starting to use the **Itinerary type** training object for different learning actions in projects such as Leadership School and Talentum.

The results highlighted on the Aprendizándome platform in 2024 were the following:

- Currently, 72 playlists (16 created in 2024). Of these, 52 are public lists and 20 are individual lists.

- More than 11,823 voluntary training hours.

- 464 people interested in face-to-face resources.

- An average of 851 training resource registrations per month.

On the other hand, in terms of mandatory annual training, 12 training sessions were held, including on compliance, cybersecurity and risk.

In Portugal, in addition to the compulsory annual training courses, they have developed training and learning initiatives linked to sustainability.

- We are continuing with the green club, which is voluntary, created in 2023 to promote the sustainability of the company.

- Internal training has been provided to all employees on the ISO 14001 Environmental Management System to update their knowledge.

- Two colleagues have received external training on Sustainability and Climate Risk in the Financial System, 12 hours each.

C. Meeting the needs of our employees

In Spain, all employees are covered by the sectoral agreement of ASNEF, the National Association of Financial Credit Establishments in Spain. In Portugal, no sectoral agreement applies.

All our professionals benefit from a Remuneration Policy, which is annually reviewed to ensure compliance with regulations applicable to UCI, and an appropriate remuneration system. We also offer social benefits to our employees, such as wellness and health management programmes, 29 working days' holiday, childcare vouchers, life insurance, private medical insurance, restaurant tickets, transport subsidies, Christmas baskets, interest-free loans, financing on favourable terms, teleworking, flexible working hours and the Employees' Club. In 2024, as a new feature, an interest-free loan has been introduced to finance sustainable measures. A total of 5 operations were signed.

To facilitate work-life balance and improve staff productivity and engagement, since 2022, we have a hybrid teleworking model. In addition, we continue to have flexible working hours, from which 75.22% of the workforce in Spain and 97.65% in Portugal benefit.

In this sense, in 2024, 10 employees have taken parental leave in Spain and none in Portugal.

We have a Digital Disconnection Policy that guarantees this right to combine digital connectivity with our work-life balance in an effective way. Among the measures introduced in 2024, for staff on leave due to temporary disability or work-related accidents, an email is sent reminding them not to connect to work in order to look after their mental health and focus solely on their recovery.

With regard to the health and well-being of employees, article 26 of the sectoral agreement ASNEF on Health Surveillance is applicable, which states that companies shall guarantee their employees regular and voluntary monitoring of their state of health, depending on the risks to which the person is exposed.

We also have the programme **"Take care of yourself: more health and less footprint"**, with activities that promote healthy low-emission actions. It generates a holistic wellness ecosystem for all people at UCI, based on our four pillars:

1. Physical Well-being: In the annual medical check-up campaign, its parameters have been extended, the eye strain test has been maintained in Madrid and Barcelona centres, as well as the faecal occult blood test for people over 45 or with a family history. A new feature is the introduction of an insulin resistance test for all employees. The seasonal flu vaccine is offered. In 2024, 328 medical examinations have been carried out and 136 seasonal flu vaccinations have been administered. In addition, 50% of the cost of private health insurance is covered. Thanks to the Liight project, the UCI workforce has completed a total of 170,000 steps through the various activity challenges they have launched.

In relation to health, the following has been carried out:

A specialised hub talk: 'Breast Cancer Prevention' (112 participants).

Two specialised workshops adapted to the gender needs of the workforce: 'Let's Talk About Menopause' (29 participants).

The following courses have been organised to promote working in safe environments:

- Defibrillator course (20 participants)
- Fire-fighting course (20 participants)
- First aid course (2 participants)

Physiotherapy service: A physiotherapy service has been contracted since September for those who need it (43 sessions).

As physical exercise is a key element in people's wellbeing, we have the Gympass Wellhub service for its practice through its sports centres. To promote sport, we sponsored the race bibs for all employees who wanted to take part in the 10 races and walks organised during the year in different geographical locations.

2. Emotional Well-being: Voluntary training has been offered to people who have obtained the lowest score in questions relating to psychosocial risk (workload) assessed in the GPTW questionnaire. Emotional management tools that are more effective and have a more physical than cognitive basis. (Tapping, also defined as EFT (Emotional Freedom Technique) and Meditation.

- Tapping (11 participants)
- Mindfulness (7 participants)

A Time Management course was organised (6 participants) to put into practice techniques and digital tools to make the most of time and achieve goals.

An emotion management course was organised for 344 members of staff.

Actions have been carried out to improve digital disconnection:

- Trekking to disconnect in a sustainable way in contact with nature, two trekking sessions were held in Madrid in May and October with a total participation of 41 people.
- Barterthon: Book exchange to encourage digital disconnection in summer.

In order to measure and improve aspects of emotional well-being, items measuring psychosocial risk in the GPTW have been maintained in 2024. These are: time and workload, autonomy, role performance and digital disconnection.

3. Social and Cultural Well-being: This line of the programme is related to social benefits and focuses on economic measures, such as advantageous financing for employees and childcare assistance, as well as a series of details at different moments in the life of employees such as the Gift for Birth, the Welcome PAC for new employees joining the organisation and the Christmas basket of choice, as well as other activities, listed below:

- Charity cinema: a family film day with a charitable purpose where a gift is donated, through the NGO "La mano que ayuda", as a ticket to be given to children in vulnerable situations.

- Library: creation of a library through book donations from the staff.

4. Professional Well-being: At this point, the focus is on one of the organisation's main objectives, which is to make UCI a great place to work. Being a Great Place to Work means providing employees with work-life balance measures, flexible work arrangements, and a hybrid work model, as well as training and development.

In Portugal, in 2024, they have developed initiatives related to wellbeing, digital disconnection and sustainability.

We participated in Pedipaper at the Oceanário, learning about sustainability issues and conservation of the maritime ecosystem, 42 employees have participated.

We have also held different webinars for the entire workforce:

- Decoding food labels and food waste.

- The importance of sleep, addressing the various stages of difficulty for children, menopause and managing anxiety at work.

D. Dialogue and communication with employees

Maintaining an open dialogue and active listening with the employees are crucial elements for the proper functioning of a company. At UCI, through several channels, we put the employee at the centre, progressing together and promoting a direct and effective communication.

We have different tools for both informing employees about relevant issues in the organisation and for gathering their opinions and suggestions. This approach allows us to incorporate their ideas into the continuous improvement of processes and into the construction of a more dynamic and participatory work environment:

In 2024, we have continued to consolidate the **CEO Connect** meetings, which consist of meetings between the CEO and the managers of each department to present key projects. In addition, open meetings with all team members are organised during these sessions, promoting closeness between management and the collaborators.

One of the major developments of the year has been the implementation of the **strategic project of Transversal Communication**, which aims to promote the role of the manager as a facilitator of effective communication, to define and generate a culture of responsible communication aligned with the voice of the company and to promote a culture of collective knowledge that improves efficiency and collaborative work. In this way, we will improve the exchange of information between different hierarchical levels and, horizontally, the coordination and flow of information between departments.

HUB Talks: Live sessions in which employees share ongoing projects and milestones achieved with the workforce. These talks are designed to promote transparency and allow any employee to ask open questions. This year we have also held five HUB Talks with Management and others focused on strategic projects to ensure greater visibility of the strategy and the departments, promoting more inclusive and accessible communication.

Vital Intranet: Our intranet, fully integrated into Microsoft Teams through Viva Connections, centralises all services for employees, from corporate information to current news about the organisation. This digital space acts as the main meeting point and knowledge hub for employees, boosting participation. Vital has become the first page that employees see when they open their browsers and, in addition, the user experience is personalised according to audience, so that employees from Spain, Portugal or even managers see exclusive information.

Viva Engage: This platform has played a central role in boosting internal communication, offering employees a space to share professional experiences, participate in debates and propose ideas for improvement for the company. It is possible to find content to raise the profile of strategic projects, emblematic days, social initiatives, to recognise achievements, competitions and challenges such as the use of the Liight app or the Innovation Challenge. In addition, the use of specific communities is promoted, such as the "Leadership" community within the framework of the gamification project of the School of Leadership 2.0 or "Being at UCI rocks" to promote the corporate culture.

Corporate emails: UCI employees have several internal communication formats to keep them informed: UCI informs you, intended to communicate initiatives, key updates and important news from the organisation; UCI up to date, a monthly summary that includes the results of the month together with the most relevant news from the company; and UCI News, a daily newsletter that compiles the most outstanding news from the sector, helping to understand the market context and current trends.

Corporate events: In 2024, internal events have been fundamental in reinforcing the corporate culture, aligning teams and fostering collaboration between all areas of the company. UCIWay, aimed specifically at managers, has been a key space for sharing strategy, developing leadership skills and working on common goals. For its part, UCIDay has brought together employees from all branches in an atmosphere of celebration, learning and recognition, highlighting the achievements of the year and reinforcing the feeling of belonging. In addition, we have incorporated more participatory dynamics and spaces for exchange that have enriched the experience of the attendees, turning these meetings into essential pillars of our internal communication and cohesion.

With these actions, we reinforce our commitment to open and participative communication, which contributes to the development of a more inclusive work environment aligned with our organisational values.

E. Diversity, equality and inclusion

Companies have a fundamental role to play in promoting diversity and equality in the business environment. Respect and recognition of diversity, equality and human rights are fundamental values, integrated in all policies, procedures and actions of the company's people management.

In 2024, we have renewed the Diversity Charter, an initiative promoted by the European Commission that involves signing the document that includes the 10 principles assumed by UCI to make visible our commitment to diversity, inclusion in the workplace and equal opportunities.

We must continue our work on diversity and inclusion with actions to create safe workplaces where everyone has a place, which contribute to staff well-being and better business results.

For all these reasons, in addition to taking advantage of the month of Diversity (May) to generate awareness-raising actions, throughout 2024 at UCI we have worked on the different types of diversity with a variety of initiatives:

- **Functional diversity:** In addition to the collaborations with Prodis, work has been done for a more inclusive selection (1 Prodis scholarship) and the campaign "Somos diferentemente iguales" (We are differently equal) has been launched, through which the people who make up the company have a professional team of psychologists and social workers who advise and accompany us in the processing of the disability certificate in case we are eligible for it. So far, six people have contacted the service and/or are in the process of obtaining the certificate. All this is accompanied by a functional diversity awareness campaign through news, articles and hubs in which we give visibility and convey that UCI is a safe space.

- **Gender diversity:** The Equality Plan is one of the main levers and courses of action in this respect. In addition, we have participated in other initiatives that promote it, such as Empowering Women's Talent, in which a total of 33 people (26 women and 7 men) have participated in the different activities within the framework of this programme during 2024. The Cross Mentoring programme is worth mentioning, with the participation of 8 mentees and 8 mentors.

- **Generational diversity:** Together with the Generation and Talent Observatory, we have signed the Code of Principles of Generational Diversity, an initiative that seeks to provide tools to successfully manage generational diversity. In addition, we have joined the observatory's network of companies, a working body that aims to generate a network of knowledge and good practices that help companies to promote the implementation of active policies of generational diversity.

- **Sexual diversity:** the key in this case has been raising awareness. We created a Hub with BNP Pride in which they shared their experience and activities, and an internal activity to learn the meaning of the colours of the LGBTI flag and build a flag among the people at Headquarters that was hung up and accompanied us most of the time in 2024.

Our figures are the following:

In Spain

- 58.48% of the staff are women.
- 12.5% of women in senior management
- 1.09% of people with disabilities in the workforce
- The average age of staff is 48.66 years old

In Portugal

- 57.65% of the staff are women.
- 2.35% women in senior management
- 1.10% of people with disabilities in the workforce
- The average age of staff is 45 years old

We highlight the **GPTW survey** topics related to equal treatment in Spain and Portugal. The percentage of employees who consider that we are treated fairly is detailed below:

- Irrespective of **age**: 83% in Spain and 93% in Portugal.
- Irrespective of **breed**: 97% in Spain and 94% in Portugal.
- Irrespective of **gender**: 88% in Spain and 98% in Portugal.
- Irrespective of **sexual orientation**: 97% in both Spain and 94% in Portugal

In 2024, we continue making progress in the implementation of the Plan's measures (2022-2026). In addition, we have a protocol for action against sexual and gender-based harassment.

We have continued with the strategy of "raise awareness and act to implement".

Actions have been carried out to promote compliance with the equality plan measures and to proactively identify improvements, based on results from actions carried out. We have maintained the training, awareness-raising and communication initiatives of important milestones in the equality plan's areas of action, in order to comply with it and consolidate our commitment to Equality. As a result, the plan measures have been 100% fulfilled.

Our actions have been the following:

- Inform and raise awareness of the plan among the people involved in it.
- Internal and external training: a total of 97 hours of external training on different aspects of diversity and equality have been carried out at the Madrid Chamber of Commerce. Seventeen people attended.
- Foster a culture of monitoring the measures.

Initiatives linked to the areas of the equality plan are the following:

- Ensuring the use of inclusive and non-sexist language in our internal and external publications.
- Providing training on how to carry out inclusive selection processes and possible biases to the people who participate in selection processes (Managers, Executives...). They were informed about inclusive selection processes and were given the opportunity to learn more about it, through Aprendizándome.
- Monitoring the training in which people with reduced working hours have taken part, in order to comply with measures for balancing work and family life. 44 people with reduced working hours have been identified, all of them women, and 1,405.24 hours of work training.
- Recommending the scheduling of automatic responses, during absence periods, to ensure a digital disconnection and a good work-life balance.
- Teleworking leave during the last three months of pregnancy, if the person so requires. Four female employees have taken advantage of this measure.

- Guarantee actions to receive social benefits during maternity and paternity leave.
- Designing and delivering work-life balance and co-responsibility workshops attended by a total of 90 people (26 men and 64 women)
- Awareness-raising on the occasion of the International Day for the Elimination of Violence against Women: delivery of wristbands in UCI Spain, we highlighted the Purple Point on the intranet and the first edition of Cineforum was launched at UCI.

We are committed to raising awareness and promoting gender equality in all positions. Career development, work-life balance, equal opportunities and gender pay equality are issues we are working on to achieve female representation at different levels within the organisation.

In 2024, our team is made up as follows:

- In Spain, by 460 people: 58.48% are women and 41.52% men.
- In Portugal, by 85 people: 57.65% are women and 42.35% men.

The gender pay gap measures the difference in pay between the average wage of men and women and is divided by the wage of men.

	Spain			Portugal		
	2023	2024	Variation	2023	2024	Variation
Gender pay gap	20.34%	18.29%	-10.08%	27.91%	32.69%	17.12%

Gender pay equity measures the existence of "equal pay for equal work" between women and men in the same professional category. The comparison does not take into account factors such as tenure, years of service, previous experience or background.

	Spain			Portugal		
Average remuneration	2023	2024	Variation	2023	2024	Variation
Directors (1) - women	-	-	-	-	-	-
Directors (1) - men	16,750.00 €	14,650.00 €	-12.54%	-	-	-
Senior management - women	80,247.57 €	98,009.90 €	22.13%	55,273.89 €	67,177.02 €	21.53%
Senior management - men	160,696.30 €	183,457.48 €	14.16%	91,858.49 €	98,498.72 €	7.23%
Management - women	61,823.82 €	71,003.30 €	14.85%	-	-	-
Management - men	75,377.74 €	85,958.85 €	14.04%	67,369.12 €	64,150.23 €	-4.78%
Manager - women	43,666.40 €	45,626.86 €	4.49%	36,525.54 €	36,137.37 €	-1.06%
Manager - men	48,667.84 €	52,309.86 €	7.48%	40,444.54 €	41,414.16 €	2.40%
Collaborator - women	29,719.93 €	30,990.42 €	4.27%	21,537.42 €	20,346.24 €	-5.53%
Collaborator - men	30,367.91 €	32,063.71 €	5.58%	18,055.70 €	18,789.59 €	4.06%

Sensitive people are provided with the means they need, and the workplace is guaranteed to be perfectly adapted to ensure that the person's work does not pose a risk to themselves or to other people in the company. As for pregnant women, in a hybrid situation of teleworking and on-site, they can telework from the third trimester of pregnancy and have a parking space at the head office on on-site days, subject to availability.

Further, we collaborate with special employment centres, such as Prodis, La Amistad Montesol and Juan XXIII Roncalli Foundation, for purchases or contracting services, and in this way favour the indirect employment of people with intellectual disabilities.

In relation to awareness-raising and inclusion, we carry out different initiatives with the Prodis Foundation, detailed in the chapter dedicated to "our investment in society".

S.2 Client at the centre

At UCI, we want to build long-term relationships of trust with our customers through best-in-class expertise, transparency and products and services that support their sustainable transition.

In 2024:

- **We have assisted in the acquisition of more than 1,466 households in Spain and Portugal.**

- **We have financed a total of 190,888 homes in both Spain and Portugal since the company was born.**

A. Customer experience and satisfaction

Our customers are at the heart of what we do and of our business. With this objective in mind, we have focused on the following lines of action in 2024:

- **Active listening:** Due to the positive response from customers, in 2024 we have continued with the quality circuit to offer them solutions adapted to their situation. We have continued analysing the feedback from customer web surveys was analysed and, based on this, improvements have been incorporated to the customer website to make navigation clearer and simpler.

- **Digitalisation.** We continued redesigning the customer website and turned it into a space where we can grow as a brand and where customers can improve the management of their products and services, find information and content related to sustainability, recommend the brand and household products.

- We continue developing different actions related to contact data validation and portfolio consent have been carried out.

- We have continued promoting the “UCI with you” programme, with benefits and advantages on more than 400 brands.

Our commitment to the customer is key at UCI, and **customer satisfaction** is everyone’s responsibility. With a focus on continuous improvement, we have carried out **4,080 surveys in Spain and 968 in Portugal** to find out our customers’ level of satisfaction and recommendation and how to improve their experience.

In the sales phase, we use the Ekomi platform, which allows us to quickly, independently and verifiably assess customer satisfaction with the service received and learn about their experience with UCI, from the initial contact to signing their mortgage.

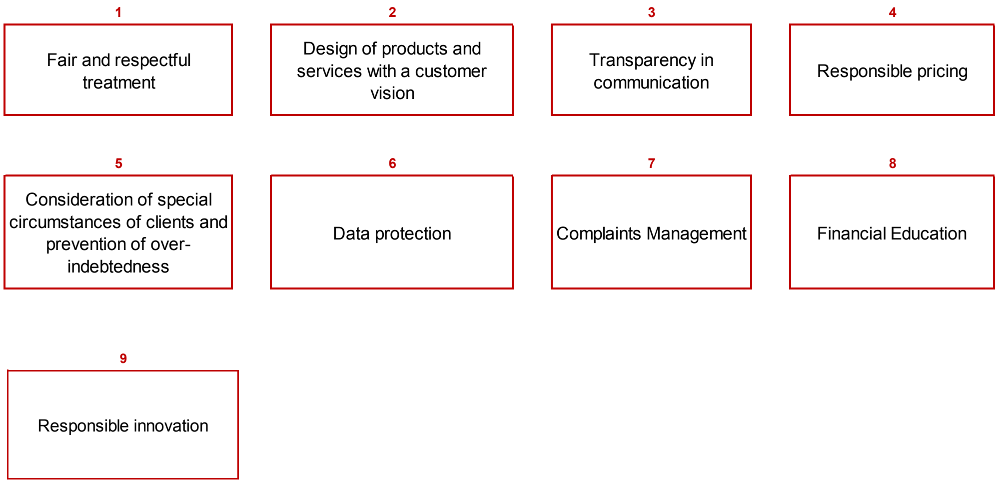
Ekomi rating:

- 9,82/10 in Spain

- 4,93/5 in Portugal

B. Protection of the customer's interest

Consumer Protection is one of our relevant functions and, within this framework, we have established our policy with specific criteria for the identification, ordering and exercise of the customer protection principles in their relationship with UCI, as well as for their control and supervision. This policy, which was reviewed and updated in 2023, contains the following 9 principles, on which customer protection is based:



1. **Fair and respectful treatment.** Focused on treating customers with respect and in an honest, fair and non-discriminatory manner, with high ethical standards, using clear and transparent language and ensuring prompt, rigorous, diligent and efficient management.

2. **Design of products and services with a customer focus.** One of our objectives is to design financial products and services correctly, always within the scope of national and international regulations on consumer protection.

3. **Transparency in communication.** We promote transparent communication to provide accurate and sufficient information, with clear and simple language.

4. **Responsible pricing,** taking into account consumer protection and price competition rules.

5. **Consideration of customers' special circumstances and prevention of over-indebtedness**, in order to proceed in their best interest and offer them viable solutions.

6. **Data protection**, carrying out rigorous data management based on the regulations in force, applying the principles of legality, loyalty, transparency and accuracy.

7. **Complaint management under the principles of accessibility,** independence, specialisation and continuous improvement.

8. **Financial education** to make informed and appropriate decisions, helping customers enjoy a higher degree of protection.

9. **Responsible innovation** in the development or improvement of products, services and processes, meeting customer needs in order to achieve their satisfaction.

These principles are reflected in UCI's practices at all stages of design, sales and after-sales. It means ensuring that we deliver products and services that meet customers' needs and inform them in a clear and transparent manner throughout our relationship.

We also have a **Guide to standards of conduct with customers** in default. It is a complementary tool to the rest of UCI's policies and procedures and is an essential element of Customer Interest Protection and our Corporate Responsibility towards customers.

This document aims to reinforce communication with the customer in a situation of default, providing guidelines for ethical behaviour in recovery management, sets the framework for action with the most vulnerable customers and reinforces UCI's willingness to help those in difficult payment situations, always in accordance with our policies and commitment to the customer.

C. Customers in payment difficulties

At UCI, we help customers who find themselves in a situation of financial difficulty. To this end, we seek the adoption of agreements that help the greatest number of people in this situation and we carry out personalised monitoring in order to find solutions adapted to each one of them.

We have a **Restructuring Acceptance Policy** and offer solutions for distressed customers tailored to present and foreseeable future circumstances. In this regard, we differentiate between temporary restructurings, long-term solutions and permanent solutions.

We adhere to the **Codes of Best Practice**. Two coexist, the former Royal Decree 6/2012 on the protection of mortgage debtors without resources and Royal Decree 19/2022 establishing a Code of Best Practices to alleviate the rise in interest rates on mortgage loans on primary residences, each one aimed at those customers who meet their particular requirements. At UCI, we adhere to both Codes, and we comply with the legal requirements set out by them. Their purpose is to alleviate or reduce the effects that the different rises are having on mortgage loans and on our customers' ability to meet their payments.

In 2024, as a result of the damage caused by the cut-off low storm, following the publication of RDL 06/2024 and RDL 07/2024, UCI has taken the necessary steps to properly inform and assist affected customers and to apply the measures set out in both RDLs.

Royal Decree-Law 7/2024 This decree complements and modifies RDL 6/2024, introducing new measures and extending the scope of application of the CBP. The main new features include:

1. Modification of the CBP regulations to include new mortgage relief measures.
2. Extension of the moratorium to more types of loans and credits, including those without mortgage guarantees.
3. Suspension of procedural deadlines related to foreclosure.

Solutions during 2024

Period 2024	totals
Temporary restructuring operations	672
Long-term restructuring operations	442
Codes of Good Practice	250
Definitive solutions	390

In Portugal, throughout 2024, the government has maintained measures to support customers with residential mortgages, including the following:

- Temporary suspension of the enforceability of the early repayment fee to allow borrowers to obtain better conditions, promoting competition in the banking sector.
- Temporary interest bonus for mortgage loans with a reference rate above 3%, if loan charges represent more than 35% of the customers' income, up to a limit of 800 Euros per year of bonus.
- To be able to set a reduced loan instalment for 24 months, calculated at 70% of the previous month's reference rate, while maintaining the financial conditions contracted (outstanding capital, term and margin).

To complement the offer of regulatory measures and help customers who cannot do not have access to the above measures or with deeper temporary payment difficulties, we have assessed their financial situation in order to offer restructurings appropriate to their ability to pay.

Solutions applied in 2024

Period 2024	totals
Temporary restructuring	25
Temporary interest subsidy	168
Reduced Fixed Instalment	68

D. Complaint management

Complaint management is an important element in the relationship with customers and is part of their experience and their relationship with the company. We must act proactively when dealing with complaints and, therefore, we have a Customer Service (SAC) that channels and resolves the complaints received and offers appropriate attention in these cases. It must respond within one or two months, depending on whether customers are considered consumers or not, and is free of charge.

It acts independently from other departments and operating units, and with total autonomy in terms of the criteria and guidelines to be applied in the exercise of its functions. It has its own Regulations, which are published on the UCI website and contain all the necessary information in this regard.

Complaints are defined as those referring to the operation of financial services provided to users and presented for any deficient action, such as delays, lack of adequate attention, or those that aim to obtain restitution and are about actions or omissions by the entity that entail damage. Here we can find those that are admitted by the service, because they comply with the Regulation and applicable legislation requirements, and those that on the contrary are not admitted.

Complaints may be submitted by UCI customers, Consumer Associations and the Client Ombudsman.

Those submitted by customers to the CIRBE (Central Credit Register - Bank of Spain), which are not considered claims in the strict sense of the word, but are also referred to the Customer Service and, lastly, those from Bank of Spain, are also processed.

During 2024, 24 complaints were received from Bank of Spain and 127 from CIRBE.

The 96.76% increase in customer complaints compared to 2023 is mainly due to the costs of setting up the mortgage loan. Thus, 79% of the total number of complaints received by the Customer Service Department at the end of 2024 are mainly due to the costs of setting up the loan; this increase is partly due to the news published by consumer associations and the media reporting that the deadline for claiming reimbursement of mortgage loan origination fees was 24/1/2024 (later clarified as 14 April), and also due to the CJEU rulings of 25 January and 25 April, as well as the Supreme Court ruling of 14 June, all of them referring to the costs of formalising the mortgage loan.

In Portugal, the average monthly number of complaints received in the first half of 2024 decreased by 11.4%, compared to 2023 according to data from the Bank of Portugal.

Between January and June 2024 (latest available data), the number of complaints received by the Bank of Portugal fell, with a monthly average of 1,993 total complaints about banking products (including in this total those corresponding to the first half of UCI). This contrasts with the increase that occurred in 2023 of 104.8% compared to the previous year.

The reduction in the number of complaints received occurred in most banking products and services, with an emphasis on the decrease in complaints related to mortgage loans, as a result of the end of the period in which the measures to support borrowers were in force.

At UCI Portugal, there was also a decrease in the number of complaints made by customers: 17 compared to 46 in 2023 (-37%), which are divided between complaints sent to Banco Portugal (11) and individual complaints (6).

S.3 Our social commitment

Through our activity and social commitments, we promote social and sustainable rehabilitation, residential inclusion, and contribute to financial education.

A. Social Inclusion in business

Sustainable and social rehabilitation of buildings

The fight against climate change and social objectives are the targets of sustainable and social renovation of buildings. In this case, the rehabilitation has to meet the following requirements:

- Eligible under sustainable energy efficiency criteria: 30% reduction in primary energy demand.
- Eligible under social criteria related to the level of GDP per capita in the province where the project takes place: rehabilitation projects in low-income areas are projects chosen for green renovation and for the conversion of buildings into more comfortable and healthy dwellings to reduce GHG emissions and fight energy poverty.

Low-income areas are understood to be those in which the average income is 25% lower than the average income of the province in which they are located. The calculation is based on data from the INE (Spanish National Statistics Institute) for each province.

Criteria taken into account to estimate the number of people benefiting from this type of rehabilitation are as follows:

- 5 floors per building
- 4 houses per floor
- 3 persons per house

In 2024, UCI financed the rehabilitation of 109 buildings, which means that 6,540 people benefited from this social and sustainable rehabilitation.

B. Our investment in the Company

Our social commitment in Spain in figures:

- **1,963** action beneficiaries
- **238** unique volunteers
- Participation in **46** programmes
- **59,700** Euros in donations

We contribute to the economic and social development of society mainly through our business activities. With our social action and volunteering initiatives, we support and contribute to projects whose beneficiaries are the groups identified in our programme **“we accompany you”** that has 4 lines of action and for its development we have agreements with different entities.

1. Youth education, with a special focus on financial education.

In this line of work, we have carried out the following initiatives:

Participation, for the 9th consecutive year, in the financial education programme “Tus Finanzas, Tu Futuro” (Your Finances, Your Future), in collaboration with the Junior Achievement Foundation and the AEB Foundation. In this programme, UCI volunteers give training sessions in educational centres so that young people can learn to manage their finances and to make informed, autonomous and responsible decisions.

We provide support to young talent with high abilities and proven performance without financial resources, so that they can pursue higher education. We collaborate with the Dádoris Foundation with 2 scholarships for International English Studies at the University of Cordoba and Physiotherapy and CAFYD at the University of Seville.

2. Socio-occupational inclusion of young people with intellectual disability.

For this area, we have the collaboration of the Prodis Foundation and its Special Employment Centre.

In the education and training area, we are once again running the Financial Education programme, created jointly by the Prodis Foundation and UCI, to teach students basic financial concepts that will enable them to cope in everyday situations. This year, 11 UCI volunteers have taken part in the Avanzas programme and, as a new feature, the Escala programme has been incorporated, and we continue to support their educational itinerary through the annual Christmas campaign.

In order to raise employee awareness of this group, we have continued with the “cool breakfasts” and we have promoted creative workshops with the aim of generating interactions and knowledge of people with intellectual disabilities in a different and close environment for both parties.

Through the Work Inclusion Service, one of the students has been able to do an internship in different departments at UCI.

3. Residential inclusion of vulnerable groups.

Through the agreement with the Red Cross to join its programme for the prevention of residential exclusion, in 2024, the aid has focused on the rent payment to 21 families in 6 municipalities in the province of Seville in a situation of social vulnerability. The number of direct and indirect beneficiaries to whom the aid has been extended is 56 people.

The Social Inclusion department of the Red Cross has offered its support to families at risk of social exclusion. The aid provided is intended for the payment of rent and has provided great relief in the situation of need and socio-economic precariousness in which they are living, where they can barely cover their basic needs, housing being one of them.

4. Global and/or health emergency grants

In 2024, we attended to the cut-off low emergency in Spain, through the Spanish Red Cross, which is our reference entity for this type of campaign. On this occasion, in addition to UCI’s donation of 5,000 Euros, employees have participated and the sum of their contributions has reached 6,680 Euros. Donated were initially used for rescue work and to set up temporary shelters for those left homeless.

5. Inmosolidarios

Inmociónate, the largest meeting for real estate professionals in Spain, hosted the 6th edition of the Inmosolidarios awards, UCI's annual initiative that recognises the Spanish real estate agencies' social action projects.

The winning agency was Agencia la Playa from Asturias, with their campaign "Help Day - I am Emotion". Together with the Alzheimer's Association of Asturias, they went to several day centres and retirement homes to accompany the elderly, reviving memories of the old Gijón.

The second prize went to s2m real estate Comprarcasa and its charity dinners. From La Coruña, they organised two charity galas to unite the community and support a good cause. The first edition was in favour of the Dr Diego González Rivas Foundation, dedicated to performing surgical interventions on people without resources in developing countries. The second edition, in 2024, focused on two organisations, Asanog, which is the Association for the Support of Children with Cancer in Galicia, and Anini Project, which helps young people in Ghana with projects focused on health, water and education in the city of Bolgatanga and the surrounding area.

The third initiative to receive an award was that of Gilmar Consulting Inmobiliario and its campaign "Boxes for a dream". This is a charity project in which different artists participated to help Aldeas Infantiles SOS. Gilmar donated wooden boxes from wine packaging for artists to create their works on them and auction them off. The proceeds went to the Las Palmas branch of Aldeas Infantiles SOS, with a focus on the African continent and in the Canary Islands for the benefit of children.

Fourth place went to Comprarcasa Torresrubi from Madrid with their "Un juguete único" (A unique toy) campaign, carried out at Christmas time in collaboration with the Niño Jesús University Children's Hospital.

Fifth prize was awarded to the "Fortaleciendo vínculos" (Strengthening bonds) campaign by APIALIA Sabadell, who on this occasion supported the Avan Foundation, dedicated to improving the physical and emotional lives of people affected by neurological diseases and that of their families.

As a whole, 8,000 Euros were distributed among the 5 real estate projects.

Portugal

In Portugal, contributions have also been made to improving the lives of people and disadvantaged groups.

In 2024, 9 volunteers delivered financial education programmes with the Junior Achievement Foundation and 317 beneficiaries were reached.

In addition, we have collaborated with:

- Crescer Ser, Associação Portuguesa para o Direito dos Menores e da Família.
- Associação WIRE, Associação de Mulheres Profissionais na área da Construção & Imobiliário
- CasaQui, a place of support and acceptance for the LGBTI community.

The total amount donated was 10,440 Euros. In addition to economic donations, an in-kind donation of 6 boilers has been made to Casa Qui Foundations, for a monetary value of 287.94 Euros.

S.4 Professionalisation of the real estate sector

Training and compliance with an international code of ethics are differentiating elements of the real estate agents who are part of SIRA and the basis for promoting the professionalisation of the real estate sector.

This is the mission of **SIRA** (Spanish International Realty Alliance) (**PIRA** in Portugal) to train and develop leaders in this sector who, given their impact on the communities in which they operate, must have accredited experience and a commitment to quality and honesty in the service they provide to their customers.

The training concept is practical and dynamic and is based on successful systems and techniques used in the USA.

SIRA and PIRA are bilateral shareholders for Spain and Portugal of the NAR (National Association of Realtors), which is the largest professional association in the United States, including institutes, societies and councils involved in all aspects of the residential and commercial sectors. SIRA and PIR are also exclusive representatives of the most prestigious residential business school in the US, the Residential Real Estate Council, where courses and designations are adapted to the European market.

SIRA is one of the leaders in the training market for real estate agents and, during 2024, 64 **courses** have been organised in Spain with 1,351 attendees, and 2 courses in Portugal with a total of 10 attendees.

Training courses are complemented with **webinars** which, in 2024, have been held more than 100 in Spain, and with quarterly **informative magazines**, such as Revista Inmobiliarios in Spain and Real Estate in Portugal.

In 2024 we will have a new edition of Inmociónate, which has been held since 2010 and has established itself as the largest Spanish-speaking real estate event, bringing together real estate professionals from Spain and the rest of the world. An event that welcomes both real estate managers and agents, as well as companies that offer innovative services and solutions for the sector. The meeting took place in Valencia and was attended by more than 750 professionals and 39 sponsors.

On November, the NAR Convention was held in Boston and we attended along 40 professionals. This event combines leading speakers from the real estate industry, expert education and networking opportunities with more than 12,000 attendees, 150 exhibitors and more than 100 speakers.

An important chapter of SIRA and PIR activity is new memberships and designations.

- No. SIRA Memberships: 680 (-12.26% than in 2023).
- No. of CRS Spain memberships: 1,038 (in line with 2023).
- No. CRS Designations Spain: 786 (-10.78% than in 2023).

Portugal

- No. of PIRA Portugal memberships: 68 (-13% than in 2023).
- No. CRS Portugal Memberships: 17 (-34% than in 2023).
- No. CRS Designations Portugal: 14 (-7% than in 2023).

Notes.

SIRA membership: These are SIRA memberships (PIR in Portugal). With this membership, the International Realtor Member status is obtained, becoming part of the National Association of Realtors® in the USA (better known as NAR) that allows the professional to distinguish themselves in the market with regard to other real estate agents, and means to practice the profession guided by a Code of Ethics that exemplifies the commitment to the highest standards of professionalism, honesty and transparency in the real estate business. SIRA members can make use of the Realtor® brand, one of the most prestigious brands in the world.

CRS Spain membership: It means being a partner of the Council of Residential Specialists (CRS), being part of a non-profit organisation created within the NAR to train those real estate agents who wish to distinguish themselves from their competition by having accredited training and experience and maintaining a commitment to quality in the service they provide to their customers.

CRS designations: These are appointments granted by the organisation itself to specialists in the residential market. In order to apply, the real estate professional must be a previous member of SIRA and CRS, must have been in the sector for at least 4 years, must have participated in at least 35 sales and purchases, must have completed the basic REAP training and must have obtained 64 training credits. Credits can be obtained by: experience in the sector, courses taken, university degree and attendance at events and trips.

Indicators related to "We accompany you" may be found in section 4.2 of the report - Social Indicators.

3.3. Business conduct

G.0 Introduction

The achievement of business objectives requires a sound and efficient governance structure to ensure that appropriate decisions are taken in compliance with regulations and in line with best practices related to our business.

We include **ethics and corporate integrity** questions as professional standards that provide legal security to the organisation and guarantee a correct **risk** management, with the necessary actions to also provide an appropriate **supplier** management.

Data protection and cybersecurity are essential to provide trust and transparency to our stakeholders.

All these lines of work are part of our ESG framework, Sustainability Plan and Sustainability Policy.

Material topics: Business conduct and Privacy and data protection and cybersecurity.

SDGs to which we contribute:

G.1 Ethics and corporate integrity

Compliance culture

One of our priorities is to ensure compliance with current regulations, internal policies and procedures to provide legal certainty and to adopt best practices and ethical and professional standards in our business.

Ethical management guarantees professional and corporate excellence and is directly linked to the behaviour of people and their personal responsibility. In this regard, the company has a system of assessment, control and improvement of business ethics management that is continuously updated to adapt to the requirements of the internal and external regulatory framework, as well as mechanisms to combat bribery and corruption.

The culture of compliance is key to the company's proper functioning and the creation of value for our stakeholders and society as a whole. It is transversal, so it has an impact on all levels of the company and forms part of the day-to-day work of all employees. It is implemented in the organisation at three levels: prevention, detection and management of **compliance risks through the creation and development of specific programmes.**

We have key standards that provide the framework for the organisation's performance:

1. **The Code of Ethics** develops the principles set out in UCI's Mission, Vision and Values, establishes a set of principles and guidelines for conduct to guarantee the ethical and responsible behaviour of all employees in the performance of their activities, and promotes compliance with current legislation as set out in UCI's internal procedures. With regard to the respect for the individuality and rights of people, it establishes that our objectives in the workplace are the eradication of sexist behaviour, discrimination on grounds of ethnicity, religion, nationality, marital status, sexual orientation and/or social class, as well as behaviour that could constitute a crime such as sexual and workplace harassment, among others. All employees have the moral commitment to report any of the aforementioned conduct of which they are witnesses or have knowledge, in order to achieve a working environment in accordance with the values, culture and customs of our company.

2. In our activity, we adopt patterns of responsible behaviour, respecting and enforcing respect for Human Rights in internal and external relations, assuming the commitments set out in international standards and guidelines, such as the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, including the ILO Core Labour Standards, the UN Guiding Principles on Business and Human Rights and the ten principles of the Global Compact.

3. We have a **criminal risk prevention system** aimed at preventing fraudulent or inappropriate acts and conduct by employees, collaborators and people working in our environment. This system is made up of the following:

    · **Criminal Risk Prevention System.** The mechanism includes a Criminal Risk Prevention Manual, revised and updated in 2023, as well as controls to prevent, detect and mitigate possible risks in this area within UCI.

    · **Prevention of Money Laundering and Terrorist Financing.** Failure to comply with obligations established by law may result in serious financial and administrative penalties for the company. At UCI, we have implemented procedures to detect possible suspicious operations linked to money laundering or terrorist financing activities. Likewise, we have an alert system that reinforces the mechanism for the prevention of money laundering and the financing of terrorism to detect, mitigate and prevent this type of operation.

    · **Exemplary catalogue of money laundering risk transactions - real estate sector and credit institutions sector,** published by the Treasury Department, available to employees.

- **Whistleblowing.** At UCI, we have a **Whistleblowing Channel (Ethics Alert channel).** This whistleblowing channel is a tool that allows reporting any conduct that is not in line with regulations in force or with the entity's internal policies and procedures and that entail or may entail a risk for UCI. Regulations governing whistleblowing channels (Law 2/2023, of 20 February, regulating the protection of persons who report breaches of regulations and the fight against corruption) include a series of principles, such as the prohibition of reprisals against whistleblowers, the possibility of anonymous reporting, the duty of confidentiality, the extension of the scope of use of the channel to external parties who collaborate with the entity, the principle of the presumption of innocence and the future creation of the Independent Whistleblower Protection Authority. We also have an "Information Management Procedure - Ethics Alert" and the "Whistleblower Protection Policy" was created, both documents being available to all UCI employees. During 2024, a total of 5 reports have been received and managed through the Whistleblowing Channel.

- **Catalogue of good and bad practices at UCI.**

- **Gifts and Invitations Policy. Anti-Corruption and Anti-Bribery Policy.** The gift policy establishes the guidelines to be taken into account in relation to the possible giving or acceptance of gifts at UCI, in order to avoid actions contrary to regulations and internal procedures.

  In addition, we have an anti-corruption and anti-bribery policy which aims to identify the usual scenarios in which these activities may occur and how to proceed to identify, prevent and avoid them. In this regard, UCI is committed to a "zero tolerance" approach to any kind of corruption and/or bribery activities.

- **Policy on relations with the authorities and Public Administrations.** This policy aims to guarantee compliance with UCI's principles and values in relations between UCI Group and civil servants or authorities, Public Administrations and public sector companies and their staff. In 2024, after this Policy has been reviewed and updated, it has been distributed to all staff and is available in the Intranet.

4. **General Conflicts of Interest Policy.** This Policy provides employees, directors and the company with guidelines to prevent and manage conflicts of interest that may arise from their activities. This policy has been developed taking into account criteria of proportionality with respect to the company's structure in order to identify the circumstances in which conflicts of interest may arise, and the internal reference regulations establishing the mechanisms for preventing and managing conflicts of interest, in particular:

   - Code of ethics.
   - Corporate Governance Policy.
   - Remuneration policy for Board members.
   - Essential Services Outsourcing Policy.
   - Anti-Corruption and Anti-Bribery Policy. Gifts and Invitations Policy.

The conflict of interest policy has been reviewed and updated in 2024.

5. UCI also has other policies and procedures that aim to establish the principles of action and prevent possible risks that could be detrimental to the Entity. In 2024, the following Compliance policies were implemented and updated:

    · Product validation and monitoring policy.

    · Remuneration policy for members of the board.

    · Framework and policy governance procedure.

    · Social media policy.

    · Procedure for publishing documents on websites.

    · Procedure for managing electronic notifications.

    · Guide to standards of conduct with defaulting customers.

Our Activity in 2024

Lines of work

In relation to the compliance with **anti-money laundering** regulations, the main lines of work have been as follows:

- Monitoring the system for managing alerts of potentially suspicious transactions relating to money laundering and terrorist financing, both for the financing area and for real estate sales, without prejudice to the subsequent detailed analysis of each file.

- Reviewing the money laundering prevention system by an External Expert, in accordance with Law 10/2010, of 28 April, on the prevention of money laundering and the financing of terrorism.

- Internal verification of the anti-money laundering system by UCI's Internal Audit Department.

- Reviewing and updating the risk self-assessment report on prevention of money laundering.

- Preparation of the report on the activity associated with the Money Laundering Prevention mechanism, in accordance with Guide EBA/GL/2022/05.

Alerts and Complaints

Money Laundering Prevention Alerts. During 2024, a total of:

- 1,609 alerts in Spain, of which 31 were reported to the OCI (internal control body) and, of these, 17 were reported to SEPBLAC. The monitoring provided for in the regulations on the prevention of money laundering continued with the periodic review of the customer portfolio. Another 1,209 matches have been analysed as part of the periodic review process.

- In Greece, 90 alerts have been analysed and none have been reported to the local regulator.

- In Portugal, 897 alerts have been analysed and two have been reported to the local regulator.

Ethics Alert Channel or Whistleblowing Channel. In the course of 2024, five ethics alert communications have been received and processed in Spain. Of the five complaints received through the Whistleblowing Channel, one was rejected because the facts had already been analysed and responded to. The other four were accepted for processing and dealt with within the deadline, with no cases of non-compliance with policies or procedures being observed. In Portugal, no ethics alert communications have been received. During 2024, no complaints related to human rights violations have been received in either Spain or Portugal.

Gifts and invitations. No incidents related to this policy have been recorded during 2024.

Conflicts of interest. Two potential conflict of interest situations have been reported during 2024. Both situations have been analysed and managed and the necessary measures have been taken to mitigate the identified conflict.

Awareness-raising and training

In 2024, we have continued with **training** and awareness-raising, to educate, inform and raise awareness among employees about potential compliance risks and equip them with the necessary tools to identify, prevent and mitigate them if they materialise.

The Compliance training modules delivered during 2024 in Spain have been 14. Most are aimed to all staff and in the online modality, except for the training on competition law, which was aimed at managers and directors, the classroom training on the Prevention of Money Laundering and Terrorist Financing (aimed at the Management Committee and certain directors), the workshop on Money Laundering prevention (aimed at agency directors) and the Volcker training, aimed at a specific group of employees and directors.

In Portugal, there have been 2 modules, aimed to all staff, related to Criminal Risk Prevention, Anti-Corruption and Gifts Policy.

Internal communications to raise awareness of content related to compliance matters: there have been 17 in Spain, all aimed to all staff. In Portugal, there has been 1, also aimed to all staff.

Regulatory developments

Within the framework of the Compliance function, one of the main aspects is the identification and communication of new rules and regulations with an impact on the entity.

Compliance with regulations in force within UCI Group is essential to ensure solvency and business continuity and best practices in our activity. UCI, as an entity, is subject to varied and constantly changing regulations, which implies the implementation of modifications in our processes and procedures to ensure compliance with said regulations.

At UCI, we have the “Regulatory management procedure”, which aims to reinforce the circuit to be followed to ensure the correct adaptation of our processes to the regulatory changes that have occurred.

In 2024, 218 new regulations were disseminated to the different areas in Spain, for analysis and identification of the possible impacts on UCI’s activity and implementation of these, where appropriate.

Likewise, in 2024, a communication circuit for “News of Regulatory Interest” has been implemented, which collects news about sentences, bills or amendments to them, criteria or resolutions which, without being directly applicable regulations, may be of interest for UCI’s activity. During 2024, 29 communications of “News of Regulatory Interest” were disseminated, with a total of 1,261 news items disseminated.

G.2 Responsible supplier management

Risk management at third parties

A) Management Model

In order to establish the flow and the actions necessary to carry out the risk management derived from the contracting of suppliers, UCI has defined the allocation of the functions and responsibilities in charge of the different areas. In the same way, it integrates and unifies the requirements of the stakeholders of the procedure and the applicable regulations.

Adequate global management of the supplier approval process has been ensured, sustainable over time, incorporating best practices and creating a holistic management model, which includes the following phases:

1. Knowledge of the Supplier: Prior to contracting, it is necessary to know the supplier to ensure that it complies with requirements established in UCI's contracting policy. This assessment is carried out from compliance risk, ensuring the degree to which they comply with the most relevant applicable laws and regulations, in particular, the way in which they comply with rules for the prevention of money laundering and customer protection.

2. Risk Analysis: The supplier is analysed and rated with a risk rating that determines the feasibility of establishing a contractual agreement. The risk rating assesses the quality, experience and stability of suppliers, including, for these purposes, their financial solvency and degree of continuity in the provision of services and their reputation in the market.

In addition, at this stage, it is determined whether a function or service is outsourced and whether it is essential or not, in accordance with the outsourcing policy and procedure.

The outsourcing function is the control unit responsible for the documentation, management, monitoring and control of outsourcing agreements.

The objective of this function is to establish the governance, organisational and supervisory structure that ensures that the institution complies with the principles established by the competent authorities and the applicable regulations on the outsourcing of functions or services, mainly those relating to essential or important functions.

In this way, UCI, under the application of the principle of proportionality, responds to the requirements established by the competent authority in Circular 3/2022 of 30 March, amending Circular 2/2016 of 2 February (Rule 43) and the stipulations of the Guidelines on outsourcing (EBA/GL/2019/02).

Finally, the service is analysed from the perspectives of the remaining risk domains identified: continuity, cybersecurity and data protection. The specialist areas, in accordance with their expert criteria, assess the suitability of the requirements provided by the supplier, reflecting whether or not the supplier complies with each of the requirements.

3. **Contract validation:** Once the decision to contract with a specific supplier has been accepted, and when the contractual relationship is formalised in a written contract, the contract between both parties is reviewed and validated by the Legal Department before being formalised.

4. **Evaluation, Control and Monitoring:** This consists of monitoring and controlling the supplier, in order to ensure that the requirements established in the contracting policy are maintained.

Since the model was implemented, on October 2023, 48 proposals for contracting services have undergone the approval process in Spain. In Portugal, it is planned to be implemented during 2025.

B) Whistleblowing channel

For the purpose of increasing the transparency and integrity of the supply chain, UCI provides suppliers with a whistleblowing channel through which they must report any breach of the Supplier Code of Conduct, the UCI Group's principles and values or regulations in force, and report inappropriate conduct by Group employees in the contractual relationship.

If a supplier detects a breach, it will notify UCI through the Ethics Alert channel, which can be accessed through the link available on UCI, Retama Real Estate and Comprarcasa websites. Once the alert has been received, it will be processed by the Compliance area.

Supplier evaluation

The supplier evaluation is annually carried out by the areas, in relation to identified services and based on the service impact in its activity.

In any case, it is mandatory to evaluate performance if the service is identified as outsourcing functions, whether essential or not.

The general service supplier evaluation procedure establishes the methodology and requirements for carrying out the evaluation.

Once evaluated, those responsible for each one are responsible for communicating the result to the supplier in order to establish improvement actions to satisfy established requirements and the needs and expectations of our customers, creating value for the company and for our stakeholders.

In 2024, evaluations are linked to services, going beyond the previous classification of supplier/service evaluation, having identified that what those in charge of the areas always value are the specific services which, on occasions, may be several of them provided by the same supplier.

Therefore, the result of the service performance evaluations in 2024 has been as follows:

Number of evaluations carried out:

	Services	
	Spain	**Portugal**
Quality assessment	51	39
Environmental assessment	5	11
Quality and environmental assessment	18	1
Total	74	51

Result of the evaluation:

Spain	Portugal
S-Satisfactory	S-Satisfactory

G.3 Privacy and data protection

At UCI, we are committed to providing our stakeholders with a high level of trust and security in relation to their personal data.

The main initiatives focus on taking measures to ensure that all the company's information assets are protected, limiting their use to processes for which they are intended and guaranteeing controlled access, as established in UCI's security guidelines. Applicable regulatory requirements regarding data security and privacy, especially personal data, are complied with.

- Our technical and organisational measures ensure the confidentiality, integrity and availability of the information collected in our databases and corporate applications.

- At UCI, we ensure adequate risk management in terms of privacy and data protection, for which we have, among others:

    - Corporate rules with general guidelines to comply with legal requirements.
    - The responsibility of all areas with regard to compliance with obligations contained in the European Data Protection Regulation (GDPR) and in the different applicable local regulations in this matter (LOPDGDD, LSSI, etc.).
    - A governance model based on:
    - A corporate policy framework and internal procedures duly validated by the company;
    - The designation and appointment, by the Board of Directors, of the figure of the corporate Data Protection Officer (DPO) and its communication to the Control Authority (AEPD);
    - The existence of the support body known as the DPO Office, made up of the Regulatory Compliance, Legal Advisory, Customer Protection Service and Corporate DPO departments, responsible for the comprehensive management of privacy and data protection matters.
    - Regular monitoring of relevant compliance and data protection issues within the framework of the Compliance and Data Protection Committee, chaired by the company's CEO, which is responsible for the supervision and control of activities related to the information protection programme and in which all relevant areas of the company are represented in this area, with regular reporting to the Board of Directors of UCI.

Other measures that reinforce our commitment to data protection include the following:

- Inventory of the company's processing activities and information on UCI's management of security incidents.
- Supervision of compliance with data protection regulations from design and by default, advising from the analysis phase of new products and/or services.
- Certification of the Corporate DPO according to the certification scheme of the Spanish Data Protection Agency (AEPD) and due updating of their technical training.
- Participation of the DPO in the Data Protection Commission of the National Association of Financial Credit Establishments (ASNEF) and in the DPD Club of the Spanish Quality Association (AEC).
- Monitoring of regulatory developments, which allows for the improvement and updating of methodologies and documentation.
- Assurance and approval of service providers, analysing their suitability based on compliance with principles required by data protection regulations.
- Commitment to respecting the fundamental right to data protection and privacy, as set out in our Code of Ethics.
- Security and privacy awareness and training.

In 2024, we communicate and train stakeholders on security and privacy, with mandatory training for all employees and awareness-raising aimed at employees, customers, partners and society at large.

G.4 Information security

Privacy and information security are critical elements for the proper business development and involve controlling potential risks and vulnerabilities to which we are exposed and generating confidence in customers, investors and other stakeholders.

Given the relevance and impact of information security issues, cybersecurity has been identified as a strategic focus within the company.

Since 2022, we have had ISO 27001 certification for Information Security, which certifies that we have an Information Security Management System in accordance with the UNE-ISO/IEC 27001:2017 standard. This standard guarantees that the information systems that provide service to the technological process of the after-sales management of our mortgage products meet high information security requirements. During 2024, we have also adapted the standard to version 2022, which adds new controls to guarantee the information security and processes.

In addition to certification, the main focus of action in 2024 has been the strengthening of the following domains:

- Strengthening Cybersecurity Governance structures and frameworks.
- Promoting employee training and awareness at international level.
- SIEM optimisation, system for detecting and correlating cybersecurity events.
- Maximising the cyber security capabilities of the network architecture, both ON PREMISE and in the cloud. Auditing our infrastructures and using new tools specific to the Cloud such as Microsoft Defender.
- Development of DLP (data loss prevention) policies for the classification of information and its implementation through Microsoft Defender.
- Deployment of an EMM (enterprise mobility management) system to facilitate the management of devices and applications used by employees and collaborators to access corporate data using Microsoft Intune.
- Implementation of an MFA (multi-factor authentication) policy to increase the security of logins to our systems.
- Cyber-intelligence, cyber-simulacres and incident response.
- Strategic plan for information leakage prevention and information protection.
- Supplier risk analysis: third parties entering into collaboration agreements with UCI must demonstrate appropriate levels of maturity.
- Operational adaptation to new legal requirements, such as Bank of Spain and the DORA (Digital Operational Resilience Act).

G.5 Integrated risk management

At UCI, we are gradually integrating the environmental, social and corporate governance factors in our risk management and in the risk management transversal processes, such as risk appetite, lending or the exercise of identifying emerging risks.

- Risk appetite: in the annual risk appetite statement we have approved new quantitative metrics for environmental and social risks.
- Risk culture: the corporate risk culture has been reinforced at all levels of the organisation, with issues related to risk management and internal control being more comprehensively integrated into the board's audit and risk committee.
- Lending: adaptation of the organisation's internal policies through the integration of environmental and social factors in the loan approval and monitoring process.
- Physical risks: consolidation of a comprehensive approach to assess the physical risks of the guarantees that back our operations. The methodology used is based on a physical risk assessment model developed by a recognised appraisal company.

ESG risk management

At UCI we analyse the impacts derived from the different factors within ESG risk, that is, the risks arising from climate change and environmental, social and governance deterioration.

Environmental

This part refers to the effect that our activity has on the environment, directly or indirectly, analysing it from different perspectives:

- **Sustainable business**

  We are committed to granting sustainable loans, establishing production commitments in line with the criteria of the European Investment Bank, the European Investment Fund and sustainability rating companies such as Sustainalytics.

- **Climate change risks**

  Climate change risks can be divided into two main categories:

  1. **Physical risks:** these are risks that arise from the increasing severity and frequency of extreme weather events or from a gradual, long-term change in the climate. These risks can directly affect companies through damage to assets or infrastructure or indirectly through disruption to their operations or the unviability of their activities.

     In response to supervisory expectations regarding the risks arising from climate change and environmental deterioration, at UCI we have developed a methodology for assessing physical risks in our loan portfolio, emphasising the importance of proactively managing physical risks to ensure the financial stability and resilience of the banking sector.

Our methodology is based on a measurement model that combines UCI's own data with that provided by a recognised appraisal company, with geospatial analysis and advanced risk assessment techniques. These measures are in line with supervisory expectations of using accurate and reliable data to assess environmental risks and their impact on the quality of financial assets.

The model identifies 11 types of physical risk relevant to our loan portfolio: seismic, erosion, volcanic, sea and river flooding, desertification, fire, natural areas, public waterways, public maritime-terrestrial areas and livestock trails. This model allows us to identify areas that are especially sensitive to physical risks in the process of granting loans.

2. Transition risks: Commitments made by the signatories of the Paris Agreement and the consequent transition towards a decarbonised production system imply a drastic transformation of the global economy through significant changes in regulations, the market and technology.

One of our priorities is to promote the transition towards a more equitable, inclusive and sustainable future for all. At a time of technological and social transformation, like the one we are experiencing, diversity and inclusion are key for companies to be able to create value for their stakeholders and for society as a whole.

Social

This axis takes into account factors, such as labour practices, diversity, safety and community impact, etc. A strong focus on these areas not only reduces risk but also contributes to a positive reputation and long-term sustainability.

Corporate governance

It refers to the company's corporate governance, the composition of the Board of Directors and the transparency policies and codes of conduct applied, playing a crucial role in the promotion of ethical and transparent business practices.

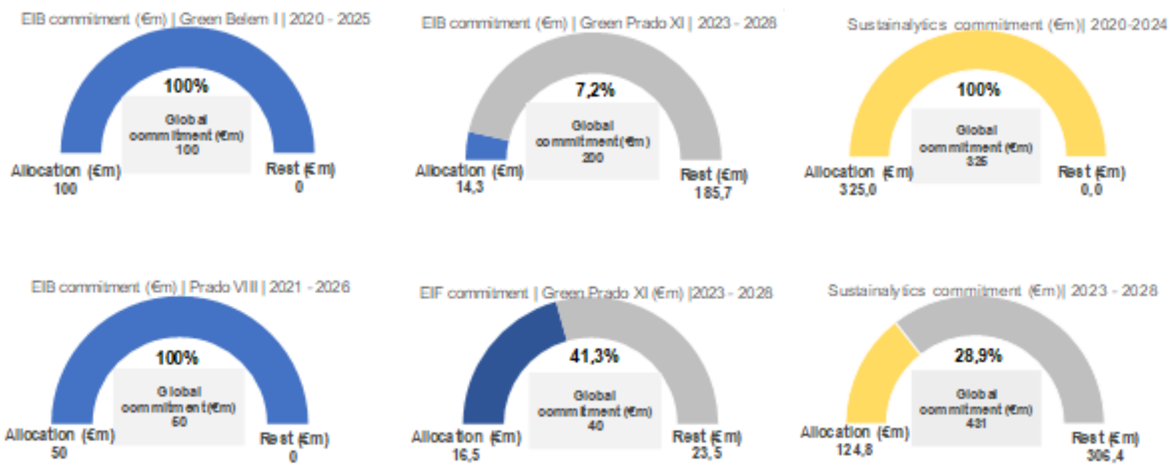
Main metrics and activities

Environmental

- **Sustainable business**

  The granting of sustainable or "green" operations represents 23.5% of the total granting of operations and achieves 157% of the target set for the 2024 financial year. On the other hand, the granting of loans for rehabilitation has reached 92% of the target with an excellent RoE of 16.4%.

The following graphs quantify the fulfilment of commitments to grant sustainable loans with the European Investment Bank, the European Investment Fund and Sustainalytics.



EIB: European Investment Bank
EIF: European Investment Fund

During 2024, 100% of the commitments made up to 2024 have been met and even those set up to 2025 or 2026 in some cases. The outstanding commitments extend to 2028 and show an excellent degree of overall compliance.

- **Climate change risks**

1. Physical risk

The assessment of physical risks, in line with supervisory expectations, has provided information to strengthen our risk management and improve the resilience of our loan portfolio to environmental challenges.

The physical risk measurement model identifies that only 10% of the bank's guarantees are exposed to some type of high physical risk.

The bank will continue to monitor the evolution of environmental risks and adjust its strategy to meet the supervisor's expectations and ensure the long-term sustainability of financial operations.

2. Transition risk

We support the climate change objectives set out in the Paris Agreement. Our ambition is to achieve net zero emissions by 2050 and we are working to strengthen our decarbonisation objectives. Our goal is to support our clients in the green transition, contributing to the Paris objectives with the development of a complete range of green and sustainable financing.

We continue to work on the priority, interrelated and cross-cutting SDGs to which we contribute with our business activity and our commitments, favouring sustainable development.

Social

Our dedication to diversity is manifested in indicators such as the rate of employees with disabilities, promoting the inclusion of people of diverse origins and abilities. In addition, gender inequality and wage disparity are analysed to ensure equal opportunities and remuneration for all employees.

In terms of personnel management, we closely monitor the turnover rate, the rate of new hires and the rate of dismissals to understand and address challenges related to talent retention and job stability. In addition, we monitor the absenteeism rate and the training provided to employees to foster a healthy and constantly evolving work environment. With regard to job security, we assess different indices to guarantee a safe and secure working environment for all employees.

For the fifth consecutive year, UCI Spain has been certified as a Great Place to Work by the consultancy Great Place To Work, a leader in the identification and certification of Excellent Places to Work. In addition, our subsidiary in Portugal has achieved this certification for the fourth consecutive year. With 92% of the workforce participating in the evaluation survey, 76% of employees describe UCI as "an excellent place to work". This result exceeds both the results of the previous edition (75%) and the minimum threshold to be considered a great company to work for, according to GPTW (65%).

With the aim of contributing to the improvement of social factors, the Entity has continued the revision of its Equality Plan, adapting it to the regulations required by the Government through Royal Decree 901/2020. The Plan includes measures and actions to guarantee equality through specific management bodies, promote the defence and effective application of the principle of gender equality, prevent sexual and gender-based harassment, ensure that all team leaders are aligned with the philosophy and principles of equality, foster a culture of awareness and promote the presence of women in all positions and levels where they are under-represented, especially in positions of responsibility.

Corporate governance

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

- **Ethical considerations:** a commitment to integrity and respect for ethical principles in our daily activities is essential to achieve our objectives and maintain the trust of our clients and stakeholders.

  We maintain a firm commitment to the prevention and eradication of malpractice in professional performance, while at the same time committing to maintaining a safe, ethical and respectful work environment for all. We have various policies and procedures that establish the standards to be followed in our daily activities.

  UCI has a Whistleblowing Alert channel through which it is possible to report any allegedly illegal acts or acts contrary to current regulations and the internal policies and procedures of the UCI Group that come to light in the course of professional duties.

  With regard to our financial responsibility, we supervise and guarantee that our commercial practices are ethical and sustainable, contributing positively both to the community and to the long-term success of our company.

- **Strategy and risk management:** risk management is no longer a peripheral function but has acquired its own identity. It appears increasingly connected to the core business and is completely integrated into the strategy, where the figure of the Chief Risk Officer (CRO) and the direct involvement of the board reflect the growing relevance of the risk management function in the company.

- **Documentary framework:** to guarantee effective management, we have a solid governance framework where document management is fundamental to comply with the entity's internal and external requirements. The project to review the entity's key documentary framework has been completed, reinforcing the main frameworks, policies and procedures in accordance with applicable regulations and market best practices.

- **Transparency:** transparency and integrity in the disclosure of information about the products and services we offer through our website, in communications with our customers or with the different stakeholders through the multiple regulatory reports and financial and non-financial information.

All of these considerations and practices strengthen the trust of stakeholders, as well as helping to create a healthy, ethical and sustainable organisational environment, which is essential for the entity's long-term financial and reputational success.

G.6 Tax contribution

Tax Information

UCI profits per country (Euros)	2023	2024
Spain	-80,261,321.18 €	-75,357,607.10 €
Portugal	3,100,300.00 €	4,128,281.66 €
Greece	200,380.67 €	172,449.52 €
Brazil	-185,035.00 €	-65,899.00 €
Total consolidated profits	**-77,145,675.51 €**	**-71,122,774.92 €**

Income Tax paid - Spain - 2023	
Final settlement CIT 2022	3,061,430.75 €
First payment on account CIT 2023	0.00 €
Second payment on account CIT 2023	0.00 €
Third payment on account CIT 2023	0.00 €

Income Tax paid - Spain - 2024	
Final settlement CIT 2023	0.00 €
First payment on account CIT 2024	0.00 €
Second payment on account CIT 2024	0.00 €
Third payment on account CIT 2024	0.00 €

Income Tax paid - Portugal - 2023	
Final settlement 2022	-118,726.93 €
First payment on account 2023	326,874.00 €
Second payment on account 2023	326,874.00 €
Third payment on account 2023	326,874.00 €

Income Tax paid - Portugal - 2024	
Final settlement 2023	21,497.33 €
First payment on account 2024	265,864.00 €
Second payment on account 2024	265,864.00 €
Third payment on account 2024	265,864.00 €

In 2022, we received the first payment for the two projects indicated below and, in 2024, we have received the second payment.

Bonuses and subsidies	2023	2024
ELENA Programme (European Local Energy Assistant)	N/A	792,450 €
ENGAGE Project for ESG activation investments	N/A	64,000 €

Indicators related to "Business conduct" can be found in section 4.3 of the report - Governance Indicators.

04

Indicators

4.1. Environmental indicators

	Spain			Portugal		
	2023	2024	Var. 2023 - 2024 (%)	2023	2024	Var. 2023 - 2024 (%)
Greenhouse Gas Emissions (GHG)						
Total CO2 emissions (t / CO)	522.84	533.93	2.12%	160.78	194.44	20.93%
Scope 1 Emissions (Direct emissions) (t / CO)	236.81	233.72	-1.30%	0.00	0.00	-
Scope 2 Emissions (Indirect Emissions) (t / CO)	80.53	80.55	0.03%	27.71	16.27	-41.28%
Scope 3 Emissions (Indirect Emissions) (t / CO)	205.50	219.65	6.88%	133.07	178.17	33.89%
Waste						
Total non-hazardous waste (t)	7.50	9.32	24.27%	1.37	0.12	-91.24%
Total waste recycled (t)	7.61	9.71	27.60%	1.37	0.21	-84.67%
Consumption						
Total water consumption (m³)	664.27	1,719.79	158.90%	90.57	100.43	10.89%
Water consumption per employee (m³)	1.33	3.74	181.98%	1.00	1.18	18.71%
Total paper consumption (kg)	3,463.65	4,828.39	39.40%	3,741.03	3,032.53	-18.94%
Paper consumption per employee (kg)	6.91	10.50	51.83%	41.11	35.68	-13.22%
Total energy consumption (kWh)	296,702.37	312,967.21	5.48%	135,596.86	104,374.88	-23.03%
Energy consumption per employee (kWh / year)	592.22	680.36	14.88%	1,490.08	1227.94	-17.59%
Business travel (km)	1,216,064.36	1,193,075.83	-1.89%	481,033.66	641,724.02	33.41%
Diesel consumption (l)	7,573.89	3,765.98	-50.28%			
Fuel consumption (l)	113,691.97	115,903.83	1.95%			
Combating Climate Change						
Amount of green production according to Sustainalytics criteria (€m)	43.08	69.55	61.46%	34.41	36.05	4.75%
Total green operations (Sustainalytics / EEML criteria)	167	264	58.08%	163	157	-3.68%
Amount of green securitisation funds: RMBS Green Belém I (€m)	4.474	N/A	-	7.9318	N/A	-
Amount of green securitisation funds: RMBS Prado VIII (€m)	14.6018	19.236467	31.74%	-	-	-
Amount of green securitisation funds: RMBS Prado XI EIB (€m)	2.4758	5.781777	133.53%	2.1352	3.92985	84.05%
Amount of green securitisation funds: RMBS Prado XI EIF (M€)	0	7.891132	-	0	8.61427	-
Total energy savings by building renovation (kWh / m² / year)	9,523.43	88,758.35	832.00%	N/A	N/A	-
Emission reductions from building retrofitting (t / CO)	3,980.30	7,402.05	85.97%	N/A	N/A	-

4.2. Social indicators

	Spain			Portugal		
	2023	2024	Var. 2023-2024 (%)	2023	2024	Var. 2023-2024 (%)
Great Place to Work (GPTW)						
Employee satisfaction - GPTW	73%	75%	2.74%	87%	83%	-4.60%
Training						
Training hours Collaborators	12,532.96	11,473.26	-8.46%	3,033.50	3,322.75	9.54%
Training hours Collaborators - women	7,441.98	6,674.64	-10.31%	1,604.00	2,360.50	47.16%
Training hours Collaborators - men	5,090.98	4,798.62	-5.74%	1,429.50	962.25	-32.69%
Training hours Managers	4,647.77	4,585.37	-1.34%	1,218.50	1,031.50	-15.35%
Training hours Managers - women	2,135.38	2,241.60	4.97%	459.50	417.50	-9.14%
Training hours Managers - men	2,512.39	2,343.77	-6.71%	759.00	614.00	-19.10%
Training hours Management	1,353.66	1,023.53	-24.39%	30.50	26.00	-14.75%
Hours of training Management - women	400.90	491.88	22.69%	-	-	-
Hours of training Management - men	952.76	531.65	-44.20%	30.50	26.00	-14.75%
Training hours Senior Management	228.91	275.75	20.46%	217.00	174.50	-19.59%
Senior management training hours - women	41.75	23.25	-44.31%	77.00	48.00	-37.66%
Senior management training hours - men	187.16	252.50	34.91%	140.00	126.50	-9.64%
Total	**18,763.30**	**17,357.91**	**-7.49%**	**4,499.50**	**4,554.75**	**1.23%**
Total number of training hours/employee per year	36.00	37.73	4.82%	45.92	53.59	16.70%
Total number of hours of training/employee per year - women	19.10	35.06	83.56%	21.40	92.95	334.36%
Total number of hours of training/employee per year - men	16.90	41.50	145.56%	23.59	126.52	436.33%
% hours of voluntary training	50.9%	67.8%	33.25%	1.4%	0.1%	-96.02%
% volunteer training hours - women	45.0%	52.7%	17.09%	1.0%	0.4%	-58.85%
% hours of voluntary training - men	55.0%	47.3%	-13.98%	0.4%	0.1%	-68.56%
% hours of compulsory training	49.0%	32.2%	-34.20%	42.0%	53.8%	28.16%
% hours of compulsory training - women	58.3%	57.7%	-1.01%	22.4%	30.3%	35.05%
% hours of compulsory training - men	41.7%	42.3%	1.41%	19.4%	23.5%	21.28%
Rotation and Mobility						
Turnover rate - % (1)	7.4%	11.5%	55.15%	10.0%	467.0%	4570.33%
Turnover rate - % (1) - women	3.9%	5.4%	39.43%	66.7%	233.5%	250.27%
Turnover rate - % (1) - male	3.5%	6.0%	72.57%	33.3%	233.5%	600.55%
Voluntary turnover rate - % (1)	2.1%	6.7%	211.21%	0.0%	467.0%	-
Voluntary turnover rate - % (1) - women	1.4%	2.9%	113.97%	0.0%	233.5%	-
Voluntary turnover rate - % (1) - men	0.8%	3.8%	380.77%	0.0%	233.5%	-
Internal Mobility Index - % (2)	23.9%	22.5%	-5.86%	8.8%	10.6%	20.46%
Internal Mobility Index - % (2) - women	14.0%	14.6%	4.22%	5.5%	7.1%	28.47%
Internal Mobility Index - % (2) - men	9.9%	7.9%	-20.10%	3.3%	3.5%	7.06%

(1) Percentage resulting from dividing two quantities: the total number of employees leaving in the year divided by the average number of employees at the beginning and end of the year.

(2) Percentage resulting from dividing the number of mobilities in the year by the average number of employees at the beginning and end of the year. Does not include the end of temporary assignments.

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Employees						
Employees by gender						
Women (total no.)	286	269	-5.94%	52	49	-5.77%
Women (%)	57.09%	58.48%	2.43%	57.14%	57.65%	0.88%
Men (total no.)	215	191	-11.16%	39	36	-7.69%
Men (%)	42.91%	41.52%	-3.24%	42.86%	42.35%	-1.18%
Total	**501**	**460**	**-8.18%**	**91**	**85**	**-6.59%**
Employees by Age						
Employees < 25 years old (total no.)	1	0	-100.00%	5	2	-60.00%
Employees < 25 years old (total no.) - women	0	0	-	2	1	-50.00%
Employees < 25 years old (total no.) - men	1	0	-100.00%	3	2	-33.33%
Employees < 25 years old (%)	0.20%	0.00%	-100.00%	5.49%	2.35%	-57.18%
Employees 25-40 years old (total no.)	71	62	-12.68%	19	17	-10.53%
Employees 25-40 years (total no.) - women	38	35	-7.89%	12	11	-8.33%
Employees 25-40 years old (total no.) - men	33	27	-18.18%	7	6	-14.29%
Employees 25-40 years (%)	14.17%	13.48%	-4.88%	20.88%	20.00%	-4.21%
Employees >40 years old (total no.)	429	398	-7.23%	67	66	-1.49%
Employees >40 years old (total no.) - women	248	234	-5.65%	38	37	-2.63%
Employees >40 years old (total no.) - men	181	164	-9.39%	29	29	0.00%
Employees >40 years old (%)	85.63%	86.52%	1.04%	73.63%	77.65%	5.46%
Total	**501**	**460**	**-8.18%**	**91**	**85**	**-6.59%**

	Spain			Portugal		
	2023	2024	Var. 2023-2024 (%)	2023	2024	Var. 2023-2024 (%)
Employees by Nationality						
No. of nationalities	14	13	-7.14%	5	6	20%
Employees with disabilities						
No. of employees with disabilities (total no.)	6	5	-16.67%	1	1	0.00%
Number of employees with disabilities (total no.) - women	3	2	-33.33%	0	0	-
No. of employees with disabilities (total no.) - men	3	3	0.00%	1	1	0.00%
No. of employees with disabilities (%)	1.19%	1.09%	-8.40%	1.10%	1.18%	7.38%
No. of employees with disabilities (%) - women	0.60%	0.43%	-28.33%	0.00%	0.00%	0.00%
No. of employees with disabilities (%) - men	0.60%	0.65%	8%	1.10%	1.18%	7.38%
Employees by professional category						
Senior management (total no.)	8	8	0.00%	6	6	0.00%
Senior management (total no.) - women	1	1	0.00%	2	2	0.00%
Senior management (total no.) - men	7	7	0.00%	4	4	0.00%
Senior management (%)	1.60%	1.74%	8.75%	6.59%	7.06%	7.06%
Senior management (%) - women	12.50%	12.50%	0.00%	2.20%	2.35%	7.06%
Senior management (%) - men	87.50%	87.50%	0.00%	4.40%	4.71%	7.06%
Management (total no.)	15	6	-60.00%	1	1	0.00%
Management (total no.) - women	3	3	0.00%	0	0	-
Management (total no.) - men	12	3	-75.00%	1	1	0.00%
Management (%)	2.99%	1.30%	-56.52%	1.10%	1.18%	7.06%
Management (%) - women	20.00%	50.00%	150.00%	0.00%	0.00%	0.00%
Management (%) - men	80.00%	50.00%	-37.50%	1.10%	1.18%	7.06%
Manager (total no.)	94	94	0.00%	27	26	-3.70%
Manager (total no.) - women	42	45	7.14%	10	11	10.00%
Manager (total no.) - men	52	49	-5.77%	17	15	-11.76%
Manager (%)	18.76%	20.43%	8.90%	33.00%	30.59%	-7.31%
Manager (%) - women	44.68%	47.87%	7%	12.09%	12.94%	7%
Manager (%) - men	55.32%	52.13%	-6%	18.68%	17.65%	-6%
Collaborator (total no.)	384	352	-8.33%	57	52	-8.77%
Collaborator (total no.) - women	240	220	-8.33%	39	36	-7.69%
Collaborator (total no.) - men	144	132	-8.33%	18	16	-11.11%
Collaborator (%)	76.65%	76.52%	-0.17%	62.64%	61.18%	-2.33%
Collaborator (%) - women	62.50%	62.50%	0.00%	42.86%	42.35%	-1.18%
Collaborator (%) - men	37.50%	37.50%	0.00%	19.78%	18.82%	-4.84%
Total	**501**	**460**	**-8.18%**	**91**	**85**	**-6.59%**
Recruitment						
Employment contract modality						
Temporary contracts FT - total no.	N/A	1	-	10	5	-50.00%
Temporary contracts FT - total no. - women	N/A	1		5	3	-40.00%
Temporary contracts FT - total no. - men	N/A	N/A		5	2	-60.00%
Temporary contracts FT - %	N/A	N/A	-	12.09%	5.88%	-51.34%
Temporary contracts FT - % - women	N/A	N/A		5.49%	3.53%	-35.76%
Temporary contracts FT - % - men	N/A	N/A		6.59%	2.35%	-64.31%
Temporary contracts PT - total no.	N/A	N/A	-	1	1	0.00%
Temporary contracts PT - total no. - women	N/A	N/A		0	0	-
Temporary contracts PT - total no. - men	N/A	N/A		1	1	0.00%
Temporary contracts PT - %	N/A	N/A	-	1%	1%	7.06%
Temporary contracts PT - % - women	N/A	N/A		0%	0%	-
Temporary contracts PT - % - men	N/A	N/A		1%	1%	7.06%
Permanent contracts FT - total no.	496	453	-8.67%	80	79	-1.25%
Indefinite contracts FT - total no. - women	282	263	-6.74%	47	46	-2.13%
Permanent contracts FT - total no. - men	214	190	-11.21%	33	33	0.00%
Open-ended contracts FT - %	99.00%	98.48%	-0.53%	87.91%	92.94%	5.72%
Permanent contracts FT - % - women	56.85%	58.06%	2%	51.65%	54.12%	4.78%
Permanent contracts FT - % - men	43.15%	41.94%	-3%	36.26%	38.82%	7.06%
Permanent contracts PT - total no.	5	6	20.00%	0	0	-
Permanent contracts PT - total no. - women	4	5	25.00%	0	0	-
Permanent contracts PT - total no. - men	1	1	0.00%	0	0	-
Indefinite contracts PT - %	1.00%	1.30%	30.00%	0.00%	0.00%	-
Permanent contracts PT - % - women	80.00%	83.33%	4.16%	0.00%	0.00%	-
Permanent contracts PT - % - men	20.00%	16.67%	-16.65%	0.00%	0.00%	-
Total	**501**	**460**	**-8.18%**	**91**	**85**	**-6.59%**

	Spain			Portugal		
	2023	2024	Var. 2023-2024 (%)	2023	2024	Var. 2023-2024 (%)
Recruitment						
Average annual number of contract modalities by gender						
Average annual average of temporary contracts FT - women	1.67	0.08	-95.21%	5.42	4	-26.20%
Average annual number of temporary contracts PT - women	0.00	0.00	-	0	0	-
Average annual number of permanent contracts FT - women	291.67	271.25	-7.00%	46.08	50	8.51%
Average annual number of permanent contracts PT - women	2.67	5.08	90.26%	0	0	-
Total	**296.01**	**276.41**	**-6.62%**	**51.5**	**54**	**4.85%**
Average annual number of temporary contracts FT - men	4.08	0.00	-100.00%	3	3	0%
Average annual number of temporary contracts PT - men	0.00	0.00	-	0.33	1	203.03%
Average annual average permanent contracts FT - men	217.17	199.00	-8.37%	34.5	37	7.25%
Average annual number of permanent contracts PT - men	1.00	1.00	0.00%	0	0	-
Total	**222.25**	**200.00**	**-10.01%**	**37.83**	**41**	**8.38%**
Average annual number of contract modalities by age						
Average annual number of temporary contracts FT - Under 25s	1.58	0.00	-100.00%	1.83	1	-45%
Average annual number of temporary contracts PT - Under 25 years old	0.00	0.00	-	0.33	1	203%
Average annual number of permanent contracts FT - Under 25s	1.00	0.42	-58.00%	0	1	-
Average annual number of permanent contracts PT - Under 25 years of age	0.00	0.00	-	0	0	-
Total	**2.58**	**0.42**	**-83.72%**	**2.16**	**3**	**39%**
Average annual average of temporary contracts FT - Between 25 and 40 years of age	4.17	0.08	-98.08%	3.67	6	63.49%
Average annual number of temporary contracts PT - Between 25 and 40 years of age	0.00	0.00	-	0	0	-
Annual average number of permanent contracts FT- Between 25 and 40 years old	73.67	63.75	-13.47%	15	17	13.33%
Average annual number of permanent contracts PT - Between 25 and 40 years old	1	1	0.00%	0	0	-
Total	**78.84**	**64.83**	**-17.77%**	**18.67**	**23**	**23.19%**
Average annual average of temporary contracts FT - Over 40 years old	0.00	0.00	-	2.92	0	-100%
Average annual number of temporary contracts PT - Over 40 years old	0.00	0.00	-	0	0	0.00%
Average annual number of permanent contracts FT - Over 40 years old	434.17	406.08	-6.47%	65.58	69	5.22%
Average annual number of permanent contracts PT - Over 40 years of age	2.67	5.08	90.26%	0	0	-
Total	**436.84**	**411.16**	**-5.88%**	**68.5**	**69**	**0.73%**
Average annual number of contract modalities by occupational classification						
Average annual average of temporary contracts FT - Senior management	0.00	0.00	-	0.00	0.00	-
Average annual average of temporary contracts FT - Senior management - women	0.00	0.00	-	0.00	0.00	-
Average annual average of temporary contracts FT - Senior management - men	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Senior Management	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Senior management - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Senior management - men	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts FT - Senior Management	16.25	8.00	-50.77%	6.58	6.00	-8.81%
Average annual number of permanent contracts FT - Senior management - women	3.92	1.00	-74.49%	2.00	2.00	0.00%
Average annual number of permanent contracts FT - Senior management - men	12.33	7.00	-43.23%	4.58	4.00	-12.66%
Average annual number of permanent contracts PT - Senior management	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Senior management - women	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Senior management - men	0.00	0.00	-	0.00	0.00	-
Total	**16.25**	**8.00**	**-50.77%**	**6.58**	**6.00**	**-8.81%**
Average annual number of temporary contracts FT - Management	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts FT - Management - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts FT - Management - men	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Management	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - management - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Management - Men	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts FT - Management	11.83	5.59	-52.75%	1.00	1.00	0.00%
Average annual number of permanent contracts FT - Management - women	0.83	1.67	101.20%	0.00	0.00	-
Average annual number of permanent contracts FT - Management - men	11.00	3.92	-64.36%	1.00	1.00	0.00%
Average annual number of permanent contracts PT - Management	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Management - women	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Management - men	0.00	0.00	-	0.00	0.00	-
Total	**11.83**	**5.59**	**-52.75%**	**1.00**	**1.00**	**0.00%**
Average annual number of temporary contracts FT - Manager	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts FT - Manager - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts FT - Manager - men	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Manager	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Manager - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Manager - men	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts FT - Manager	94.08	96.58	2.66%	27.08	28.00	3.40%
Average annual number of permanent contracts FT - Manager - women	42.75	45.00	5.26%	11.00	11.00	0.00%
Average annual number of permanent contracts FT - Manager - men	51.33	51.58	0.49%	16.08	17.00	5.72%
Average annual number of permanent contracts PT - Manager	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Manager - women	0.00	0.00	-	0.00	0.00	-
Average annual number of permanent contracts PT - Manager - men	0.00	0.00	-	0.00	0.00	-
Total	**94.08**	**96.58**	**2.66%**	**27.08**	**28.00**	**3.40%**

	Spain			Portugal		
	2023	2024	Var. 2023-2024 (%)	2023	2024	Var. 2023-2024 (%)

Recruitment

Average annual number of contract modalities by occupational classification

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Average annual number of temporary contracts FT - Collaborator	5.75	0.08	-98.61%	8.42	7.00	-16.86%
Average annual number of temporary contracts FT - Collaborator - women	1.67	0.08	-95.21%	5.42	4.00	-26.20%
Average annual number of temporary contracts FT - Collaborator - men	4.08	0.00	-100.00%	3.00	3.00	0.00%
Average annual number of temporary contracts PT - Collaborator	0.00	0.00	-	0.33	1.00	203.03%
Average annual number of temporary contracts PT - Collaborator - women	0.00	0.00	-	0.00	0.00	-
Average annual number of temporary contracts PT - Collaborator - men	0.00	0.00	-	0.33	1.00	203.03%
Average annual number of permanent contracts FT - Collaborator	386.67	360.08	-6.88%	45.92	52.00	13.24%
Average annual number of permanent contracts FT - Collaborator - women	244.17	223.58	-8.43%	33.08	37.00	11.85%
Average annual number of permanent contracts FT - Collaborator - men	142.50	136.50	-4.21%	12.83	15.00	16.91%
Average annual number of permanent contracts PT - Collaborator	3.67	6.08	65.67%	0.00	0.00	-
Average annual number of permanent contracts PT - Collaborator - women	2.67	5.08	90.26%	0.00	0.00	-
Average annual number of permanent contracts PT - Collaborator - men	1.00	1.00	0.00%	0.00	0.00	-
Total	**396.09**	**366.24**	**-7.54%**	**54.67**	**60.00**	**9.75%**

Labour Relations

Collective agreements

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Total number of collective agreements	1	1	**0%**	N/A	N/A	-
% of employees covered	100%	100%	**0%**	N/A	N/A	-

Dismissals

Classification of the number of dismissals

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Number of dismissals by gender - women	9	11	22.22%	1	0	-100.00%
Number of dismissals by gender - men	10	9	-10.00%	0	0	-
Number of dismissals by age - Under 25 years old	1	1	0.00%	0	0	-
Number of dismissals by age - Between 25 and 40 years old	2	3	50.00%	0	0	-
Number of dismissals by age - Over 40 years old	16	16	0.00%	1	0	-100.00%
Number of dismissals by professional classification - Senior management	2	0	-100.00%	0	0	-
Number of dismissals by professional classification - Management	2	0	-100.00%	0	0	-
Number of dismissals by job classification - Manager	2	3	50.00%	0	0	-
Number of dismissals by professional classification - Collaborator	13	17	30.77%	1	0	-100.00%
Total	**19**	**20**	**5.26%**	**1**	**0**	**-100.00%**

Wage and Remuneration Gap

Average employee remuneration

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Average remuneration by gender - women	32,214.23 €	34,052.75 €	5.71%	26,005.54 €	25,802.65 €	-0.78%
Average remuneration by gender - men	40,437.47 €	41,672.76 €	3.05%	36,074.83 €	38,333.08 €	6.26%
Average remuneration by age - Under 25 years old	21,625.82 €	0.00 €	-100.00%	7,726.23 €	9,064.69 €	17.32%
Average remuneration by age - Between 25 and 40 years old	29,682.90 €	31,741.30 €	6.93%	20,696.88 €	18,167.75 €	-12.22%
Average remuneration by age - Over 40 years old	36,779.06 €	38,069.66 €	3.51%	34,736.33 €	35,111.21 €	1.08%
Average remuneration by job classification or equal value - Senior management	118,355.45 €	122,763.48 €	3.72%	79,663.62 €	88,058.15 €	10.54%
Average remuneration by occupational classification or equal value - Management	72,666.96 €	78,481.08 €	8.00%	67,369.12 €	64,150.23 €	-4.78%
Average remuneration by job classification or equal value - Manager	46,433.15 €	49,110.55 €	5.77%	38,847.91 €	39,181.67 €	0.86%
Average remuneration by job classification or equal value - Collaborator	29,962.92 €	31,392.90 €	4.77%	20,437.93 €	19,867.27 €	-2.79%

In Spain, the average remuneration has been calculated on the basis of the workforce at 31 December, taking into account the basic salary plus the transport bonus.
In Portugal, the average remuneration has been calculated on the basis of the headcount at 31 December, taking into account the fixed salary plus the variable salary.

Wage gap

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Senior Management - %	51.78%	41.22%	-20.39%	39.83%	31.80%	-20.16%
Management - %	17.98%	17.40%	-3.23%	-	-	-
Manager - %	10.28%	12.78%	24.32%	9.69%	12.74%	31.49%
Collaborator - %	2.13%	3.35%	57.28%	-19.28%	-8.28%	-57.03%

Percentage resulting from dividing 2 amounts: the difference between the average salary of men and women, divided by the average salary of men within each professional category.

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Gender pay gap (2)	20.34%	18.29%	-10.08%	27.91%	32.69%	17.12%
Salary ratio highest paid person in the organisation (1)	593.70%	811.00%	36.60%	407.07%	74.89%	-81.60%

(1) Percentage between the annual total remuneration of the highest paid employee and the average annual total remuneration of all employees (excluding the highest paid).

(2) Percentage resulting from dividing 2 amounts: the difference between the average salary of men and women, divided by the salary of men.

Average remuneration of directors, senior management, management, managers and collaborators by gender

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Average remuneration of directors (1) - women	-	-	-	N/A	N/A	-
Average remuneration of directors (1) - men	16,750.00 €	14,650.00 €	-12.54%	N/A	N/A	-
Average remuneration of senior management - women	80,247.57 €	98,009.90 €	22.13%	55,273.89 €	67,177.02 €	21.53%
Average remuneration of senior management - men	160,696.30 €	183,457.48 €	14.16%	91,858.49 €	98,498.72 €	7.23%
Average remuneration of management - women	61,823.82 €	71,003.30 €	14.85%	0.00 €	0.00 €	-
Average remuneration of management - men	75,377.74 €	85,958.85 €	14.04%	67,369.12 €	64,150.23 €	-4.78%
Average remuneration of manager - women	43,666.40 €	45,626.86 €	4.49%	36,525.54 €	36,137.37 €	-1.06%
Average remuneration of manager - men	48,667.84 €	52,309.86 €	7.48%	40,444.54 €	41,414.16 €	2.40%
Average remuneration of collaborator - women	29,719.93 €	30,990.42 €	4.27%	21,537.42 €	20,346.24 €	-5.53%
Average remuneration of collaborator - men	30,367.91 €	32,063.71 €	5.58%	18,055.70 €	18,789.59 €	4.06%

(1) The sole director and one of the directors waive their remuneration and allowances.

In 2024 Senior Management is the Management Committee in Spain and the Executive Committee in Portugal. The Management category is the Coordination Committee in Spain.

The average remuneration of directors and senior management includes all salary and non-wage payments.

	Spain			Portugal		
	2023	2024	Var. 2023-2024 (%)	2023	2024	Var. 2023-2024 (%)
Wage and Remuneration Gap						
Social benefits						
Total number of social benefits	17	18	5.88%	13	13	0.00%
Work-life balance						
Flexiworking						
% of employees*	74.25%	75.22%	1.31%	93.00%	99.00%	6.45%
% of employees* - women	59.95%	61.27%	2.20%	54.95%	99.00%	80.18%
% of employees* - men	40.05%	38.73%	-3.30%	38.46%	99.00%	157.40%

Commercial and recovery networks are not covered by this policy.

	Spain 2023	Spain 2024	Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Var. 2023-2024 (%)
Absenteeism						
Absenteeism rate in % (%)						
Occupational contingencies (1)	0.00	0.16	-	0.00	0.00	-
Common contingencies (1)	2.76	3.15	14.13%	0.37	0.44	18.92%

(1) (Days of sick leave elapsed year *100) / Σ(Days per month * Affiliated workers per month)

	Spain 2023	Spain 2024	Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Var. 2023-2024 (%)
No. of hours of absence						
Occupational contingencies	24.00	2,304.00	9500.00%	40.00	0.00	-100.00%
Common contingencies	42,592	44,096.00	3.53%	2,112	824	-61%
Total	**42,616.00**	**46,400.00**	**8.88%**	**2,152.00**	**824.00**	**-62%**
Accidents at work						
Accidents at work and occupational diseases						
Frequency of accidents at work - women (1)	0	2.2	-	9.91	0	-100.00%
Frequency of accidents at work - men (1)	2.619	6.09	132.53%	0	0	-
Severity of accidents at work - women (2)	0	0.089	-	0.05	0	-100.00%
Severity of accidents at work - men (2)	0.008	0.75	9275.00%	0	0	-
Frequency of occupational diseases - women	0	0	-	0	0	-
Frequency of occupational diseases - men	0	0	-	0	0	-
Severity of occupational diseases - women	0	0	-	0	0	-
Severity of occupational diseases - men	0	0	-	0	0	-

(1) Frequency Rate: (no. of accidents with sick leave, including accidents on the way/no. of hours worked) x 1,000,000

(2) Severity Rate: (Days lost due to accidents at work, including those due to in itinere accidents and relapses/no. hours worked) x 1.000

	Spain 2023	Spain 2024	Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Var. 2023-2024 (%)
No. of accidents at work by gender						
Women	0	1	-	1	0	-100%
Men	1	2	100%	0	0	-
Total	**1**	**3**	**200%**	**1**	**0**	**-100%**
Inclusion and diversity						
Women in leadership positions						
% Women in CD (1)	12.50%	12.50%	0.00%	33.33%	33.33%	0.00%
% Women in managerial position (2)	39.32%	45.37%	15.39%	40.74%	42.31%	3.85%

(1) Percentage resulting from dividing 2 quantities: the total number of women by the total number of male and female members of the Steering Committee.

(2) Percentage resulting from dividing 2 quantities: the total number of female managers by the total number of male and female managers (CD, Management and Managers).

	Spain 2023	Spain 2024	Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Var. 2023-2024 (%)
Customer relations						
Evolution of the number of customers						
No. of financed households of First Residence (total 1st holders)	168,335	169,305	0.58%	21,139	21,583	2.10%
No. of financed households of First Residence (annual 1st holders)	934.00	991.00	6.10%	462.00	475.00	2.81%
Overall ekomi customer rating	9.78	9.82	0.41%	4.92	4.93	0.20%
Customer complaints						
Total number of admissible customer complaints	3,912	7,696	96.73%	46	17	-63.04%
No. of complaints resolved in favour of the customer	423	196	-53.66%	22	8	-63.64%
No. of complaints resolved unfavourable to the client	3,489	7,500	114.96%	24	9	-62.50%
No. of complaints pending resolution	0	0	-	0	0	-
Adhesions/ applications to the Code of Good Practice						
Accepted applications	775	366	-52.77%	N/A	N/A	-
Approved applications	531	284	-46.52%	N/A	N/A	-

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Financial Social Engagement						
Social Inclusion in business						
No. of people benefiting from sustainable retrofitting of buildings in low GDP per capita areas	4020	6540	62.69%	N/A	N/A	-

The figure for 2023 is changed from 3600 to 4020 due to an adjustment in the postcode of the communities.

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Community investment						
Monetary contributions to non-profit organisations						
Prodis Foundation - educational projects	25,000.00 €	18,000.00 €	-28.00%	N/A	- €	-
Prodis Foundation - awareness-raising projects	2,000.00 €	600.00 €	-70.00%	N/A	- €	-
Red Cross - Global Emergency	17,825.00 €	5,000.00 €	-71.95%	- €	- €	-
Red Cross - Prevention of residential exclusion	6,500.00 €	8,000.00 €	23.08%	N/A	N/A	-
Dádoris Foundation - Education Grants	13,000.00 €	12,000.00 €	-7.69%	N/A	- €	-
Junior Achievement Foundation - Your finances, your future	8,400.00 €	8,100.00 €	-3.57%	5,000.00 €	5,000.00 €	0.00%
Immosolidarity Awards	15,000.00 €	8,000.00 €	-46.67%	N/A	- €	-
Instituto Português de Oncologia - I.P.O. Lisboa	N/A	N/A	-	- €	- €	-
NGO Crescer, Ser - Children's Home	N/A	N/A	-	1,783.84 €	440.00 €	-75.33%
Salvador Association	N/A	N/A	-	- €	- €	-
Associação Play for Wishes	N/A	N/A	-	- €	- €	-
Fundação Realizar um Desejo - Make-A-Wish Portugal	N/A	N/A	-	100.00 €	- €	-
Associação Portuguesa de País e amigos do cidadão deficiente mental (APPACDM)	N/A	N/A	-	1,320.52 €	N/A	-
CasaQui	N/A	N/A	-	1,063.75 €	- €	-100.00%
WIRE Foundation	N/A	N/A	-	N/A	5,000.00 €	-
Total	**88,725.00 €**	**59,700.00 €**	**-32.71%**	**9,268.11 €**	**10,440.00 €**	**12.64%**

4.3. Governance indicators

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Ethics and Compliance						
Whistleblowing Channel						
No. of complaints	1	5	400%	0	0	-
Gift Policy						
No. of incidents	0	0	-	0	0	-
Prevention of Money Laundering Alerts						
Total number of alerts	1,532	1,609	5.03%	816	897	10%
Reported to the OCI (Internal Control Body)	9	31	244.44%	0	2	-
Reported to SEPBLAC (Spain) / Regulatory Body Portugal	3	17	466.67%	0	2	-
Suppliers						
No. of suppliers assessed (Quality)	30	N/A	-	30	N/A	-
No. of suppliers assessed (Environment)	5	N/A	-	11	N/A	-
No. of suppliers assessed (Quality, environment)	4	N/A	-	1	N/A	-
Total	**39**	**0**	**-100.00%**	**42**	**0**	**-100.00%**
No. of outsourced services assessed (Quality)	22	N/A	-	13	N/A	-
No. of outsourced services assessed (Environment)	0	N/A	-	0	N/A	-
No. of outsourced services assessed (Quality, environment)	11	N/A	-	0	N/A	-
Total	**33**	**0**	**-100.00%**	**13**	**0**	**-100.00%**
No. of services assessed (Quality)	N/A	51	-	N/A	39	-
No. of services assessed (Environmental)	N/A	5	-	N/A	11	-
No. of services assessed (Quality and environmental)	N/A	18	-	N/A	1	-
Total	**N/A**	**74**	**-**	**N/A**	**51**	**-**

In 2024, a change in nomenclature has been made, so that the category of "assessed services" includes what was previously called "evaluation of providers" and "evaluation of outsourced services".

	Spain 2023	Spain 2024	Spain Var. 2023-2024 (%)	Portugal 2023	Portugal 2024	Portugal Var. 2023-2024 (%)
Supplier evaluation results	Satisfactory	N/A	-	Satisfactorio	N/A	-
Result of evaluation of outsourced services	Satisfactory	N/A	-	Satisfactorio	N/A	-
Service evaluation result	N/A	Satisfactorio	-	N/A	Satisfactorio	-
Cybersecurity						
Effectiveness of cyber-security measures	7.50	N/A	-	7.50	N/A	-

05

Table of alliances

Green alliances		
EIB - European Investment Bank	It is the world's largest multilateral financial institution and one of the largest providers of climate finance.	https://www.eib.org/en/
CONCOVI - Spanish Confederation of Housing Co-operatives	State organisation of housing co-operatives in Spain recognised as a Social Agent and valid interlocutor with the Ministries of Labour and Housing.	https://concovi.org/
EDW - Enterprise Data Warehouse	It is part of the ABS Loan Level Data initiative established by the European Central Bank which is dedicated to providing data storage and full disclosure services for investors in asset-backed securities.	https://eurodw.eu/
EMF - European Mortgage Federation	The European Mortgage Federation (EMF) is the voice of the European mortgage industry and represents the interests of mortgage lenders at a European level. Its objective is to guarantee a sustainable housing environment for the citizens of the European Union (EU).	https://hypo.org/emf/
FEI - European Investment Fund	Part of the European Investment Bank Group, it supports European companies by helping them access finance.	https://europa.eu/institutions/financial/eif/index_es.htm
GBCe - Green Building Council Spain	A platform for meeting and dialogue that provides cutting-edge information and training to guide and help its members in the transformation towards sustainable building, taking care of people's well-being.	https://gbce.es/
Gloval	It is a firm offering comprehensive property valuation, engineering and consultancy services, bringing together companies with more than 70 years of accumulated experience.	https://www.gloval.es/
Grupo BC	The company provides end-to-end services for the formalisation and management of mortgage operations, with customised solutions adapted to the needs and particularities of each financial institution. They take a comprehensive approach to the mortgage process, managing pre-signing, signing and post-signing assistance for all types of operations.	https://www.grupobc.com/es/
ICO - Instituto de Crédito Oficial	A public business entity attached to the Ministry of Economic Affairs and Digital Transformation dedicated to the promotion of economic activities that contribute to sustainable growth.	https://www.ico.es/
ST Consultores	Company specialising in consultancy services, valuations and property technology.	https://stconsultores.com/
Sustainalytics	Organisation that provides high-quality ESG research, ratings and analytical data to institutional investors and companies.	https://www.sustainalytics.com/

Green alliances

Rehabilitation
Business associations dedicated to renovation and refurbishment: 2 agreements (ANERR, Gremi de Constructors).
Association of Architects from different locations: 4 agreements (CATEB, COAM, Colegio Oficial de Aparejadores y Arquitectos Técnicos de Madrid).
Association of Property Directors from different locations: 5 agreements (Barcelona, Madrid, Malaga, Valencia, Seville) and the General Council of Property Managers' Associations.
Local Authorities and Regional Governments, as well as public offices related to Housing: 4 agreements (Barcelona City Council, Generalitat de Catalunya, Consorci Habitatge del Área Metropolitan de Barcelona and EMVS).
Institute for Energy Diversification and Saving (IDAE).

Business and Sector Alliances

AHE - Asociación Hipotecaria Española	This organisation is made up of the banks, credit cooperatives and financial credit establishments that have the greatest presence in the Spanish mortgage market. The members of the Association have approximately 75% of the mortgage loan market.	http://www.ahe.es/
APEMIP	The Association of Real Estate Professionals and Companies of Portugal.	https://www.apemip.pt/
ASFAC - Association of Specialised Credit Institutions	Specialised institution that represents the consumer finance sector in Portugal. It promotes the increase of the financial knowledge of the Portuguese, investing in the financial education of children, young people and adults, particularly in the most vulnerable populations.	https://www.asfac.pt/
ASNEF - National Association of Credit Financial Institutions	Liaison between financial institutions specialising in consumer finance in Spain and Public Administrations, other Spanish and European professional associations and users of financial products, and through its work facilitates access to consumer and production goods for consumers, professionals and entrepreneurs.	https://www.asnef.com/
Spanish Quality Association	A private non-profit organisation whose purpose is to promote quality as a driving force for competitiveness and sustainability for professionals, companies and the country.	https://www.aec.es/
Portuguese-Spanish Chamber of Commerce	A private non-profit organisation whose main activity is to promote commercial relations between Portuguese and Spanish companies.	https://www.portugalespanha.org/
NAR - National Association of REALTORS®	It is the largest professional association in the United States, with one million members, and includes institutes, societies and councils involved in all aspects of the residential and commercial sectors. SIRA is the local partner in Spain.	https://siralia.com/sira/ https://www.pir.pt/

Sustainability and Corporate Responsibility Alliances

DIRSE - DIRSE - Spanish Association of Sustainability Executives (ESG)	Spanish association of professionals in sustainability and ESG (Environmental, Social and Corporate Governance) issues, which works for the promotion, defence and recognition of people who, from all kinds of organisations, carry out this specific function, thus helping to improve their capacity to influence the creation of value in organisations.	https://www.dirse.es/
UN Global Compact	International United Nations initiative that promotes sustainable development and corporate social responsibility.	https://www.pactomundial.org/

Agreements with Foundations

APPACDM - Associação Portuguesa de Pais e Amigos do Cidadão Deficiente Mental	The Private Institution of Social Solidarity promotes the inclusion of disabled people in society, with quality of life respecting the principles that enshrine the right to the exercise of full citizenship.	https://appacdm-lisboa.pt/
Casa Qui	A social solidarity association specialising in issues of gender equality, sexual orientation and gender identity or expression.	https://www.casa-qui.pt/
Crescer Ser	Private Institution of Social Solidarity of national scope; Promotes, organises and dynamizes community services to support children, young people and the family. Stimulates specialised training in the areas of protection, care and support for professionals working with children and young people at risk of exclusion.	https://crescerser.org/
Cruz Roja	Adherence to the programme to prevent the residential exclusion of vulnerable people	https://www2.cruzroja.es/
Fundación Dádoris	Support for high school students with talent and brilliant results to access university studies and centres of excellence and who lack financial resources.	https://fundaciondadoris.org/
Fundación Junior Achievement Portugal (JAP)	A non-profit organisation created in November 2005. It is affiliated to Junior Achievement, the world's largest and oldest organisation for education in entrepreneurship.	http://japortugal.org/
Fundación Mutua de Propietarios	An organisation that promotes the elimination of architectural barriers to improve access to buildings and their surroundings for people with reduced mobility.	https://www.fundacionmdp.org/
Fundación Prodis	Contribution based on an ethical commitment to improving the quality of life of people with intellectual disabilities and their families, supporting and promoting their full inclusion in a fair and caring society.	https://fundacionprodis.org/

06

Reporting standards and other references

6.1. Law 11/2018 on Non-Financial Information

Law 11/2018 on non-financial Information and diversity

Information requested by Law 11/2018	Section of the Report where it is found
General Information	
Brief description of the group's business model, including: its business environment	1.Meet UCI
Brief description of the group's business model, including: its organisation and structure	1.Meet UCI Our Corporate Governance
Markets in which it operates	1.Meet UCI
Objectives and strategies	2. Our sustainability model
Main factors and trends that may affect its future development	2. Our sustainability model
Materiality	2. Our sustainability model: 2.4 Double Materiality Analysis

Information requested by Law 11/2018	Section of the Report where it is found
Environmental matters	
Measures taken to preserve or restore biodiversity	3.1 We greenimise: E.0 Introduction
Impacts caused by activities or operations in protected areas.	3.1 We greenimise: E.0 Introduction

Information requested by Law 11/2018	Section of the Report where it is
Social and personnel issues	
Employment	
Average remuneration by sex, age and professional category	4.2 Social indicators
Wage gap	3.2 We accompany you: S.1 People First 4.2 Social indicators
Remuneration for equal jobs or the average in society	3.2 We accompany you: S.1 People First 4.2 Social indicators
Average remuneration of directors and managers by gender (including variable remuneration, allowances, compensation, payments to savings schemes)	3.2 We accompany you: S.1 People First 4.2 Social indicators
Policies on disconnection from work	3.2 We accompany you: S.1 People First
Employees with disabilities	3.2 We accompany you: S.1 People First 4.2 Social indicators
Organisation of work	
Organisation of working time	3.2 We accompany you: S.1 People First
Number of hours of absenteeism	4.2 Social indicators
Measures aimed at facilitating the enjoyment of work-life balance and promoting the co-responsible exercise of these by both parents	3.2 We accompany you: S.1 People First
Health and Security	
Health and safety conditions at work	3.2 We accompany you: S.1 People First
Occupational accidents and illnesses by gender: frequency and severity rate	4.2 Social indicators
Social relations	
Organisation of social dialogue (including procedures for informing, consulting and negotiating with personnel)	3.2 We accompany you: S.1 People First
Percentage of employees covered by collective bargaining agreements by country	4.2 Social indicators
Results of collective bargaining agreements, particularly in the field of occupational health and safety	3.2 We accompany you: S.1 People First

Information requested by Law 11/2018	Section of the Report where it is found
Social and personnel issues	
Training	
Policies implemented in the field of training	3.2 We accompany you: S.1 People First
Total number of hours of training by professional category	4.2 Social indicators
Universal Accessibility for people with disabilities	
Universal Accessibility for people with disabilities	3.2 We accompany you: S.1 People First
Equality	
Measures adopted to promote equal treatment and opportunities for men and women	3.2 We accompany you: S.1 People First
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	3.2 We accompany you: S.1 People First
Policy against all types of discrimination and diversity management	3.2 We accompany you: S.1 People First
Respect for Human Rights	
Management approach: description and results of human rights policies and the main risks related to these issues linked to the group's activities	2. Our sustainability model 3.3 Business conduct: G.1 Ethics and corporate integrity and G.5 Integrated risk management
Application of due diligence procedures in the field of human rights and prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage, and redress possible abuses committed	3.3 Business conduct: G.1 Ethics and corporate integrity
Complaints about human rights violations	3.3 Business conduct: G.1 Ethics and corporate integrity
Promotion and compliance with the provisions of the fundamental ILO conventions concerning respect for freedom of association and the right to collective bargaining	3.3 Business conduct: G.1 Ethics and corporate integrity
Elimination of discrimination in employment and occupation	3.3 Business conduct: G.1 Ethics and corporate integrity
Elimination of forced or compulsory labour	3.3 Business conduct: G.1 Ethics and corporate integrity
Effective abolition of child labour	3.3 Business conduct: G.1 Ethics and corporate integrity

Information requested by Law 11/2018	Section of the Report where it is found
Fight against corruption and bribery	
Management approach: description and results of social policies and policies relating to corruption and bribery and the main risks related to these issues linked to the group's activities	2. Our sustainability model 3.3 Business conduct: G.1 Ethics and corporate integrity and G.5 Integrated risk management
Measures adopted to prevent corruption and bribery	3.3 Business conduct: G.1 Ethics and corporate integrity
Measures to fight against money laundering	3.3 Business conduct: G.1 Ethics and corporate integrity and G.2 Responsible Supplier Management
Contributions to foundations and non-profit organisations	3.2 We accompany you: S.3 Our social commitment 4.2 Social indicators
Information about the company	
Management approach: description and results of social policies and policies relating to corruption and bribery and the main risks related to these issues linked to the group's activities	2. Our sustainability model 3.2 We accompany you: S.3 Our social commitment 3.3 Business conduct: G.5 Integrated risk management
The company's commitments to sustainable development	
Impact of the company's activity on employment and local development	3.1 We greenimise 3.2 We accompany you
Impact of the company's activity on local populations and the region	3.1 We greenimise 3.2 We accompany you
Relations maintained with local community actors and the forms of dialogue with them	2. Our sustainability model
Partnership or sponsorship activities	5.1 Table of alliances
Subcontracting and suppliers	
Inclusion of social, gender equality and environmental issues in purchasing policy	3.3 Business conduct: G.2 Responsible Supplier Management

Information requested by Law 11/2018	Section of the Report where it is found
Information about the company	
Consideration of social and environmental responsibility in relations with suppliers and subcontractors	3.3 Business conduct: G.2 Responsible Supplier Management
Supervision and audit systems and results	3.3 We comply: G.2 Responsible Supplier Management
Consumers	
Measures for consumer health and safety	3.2 We accompany you: S.2 Client at the centre 3.3 Business conduct: G.4 Information security
Complaint systems, complaints received and their resolution	3.2 We accompany you: S.2 Client at the centre
Tax information	
Profits obtained country by country	3.3 Business conduct: G.6 Tax contribution
Taxes on profits paid	
Public subsidies received	

6.2. Global Reporting Initiative (GRI)

2024 Declaration of Use	UCI has presented the information cited in this GRI Content Index for the period January 1, 2024 to December 31, 2024 using the GRI Standards as a reference.
GRI 1 used	Fundamentals 2021

GRI Standard	Content	Location in the Report
GRI 2 General Contents		
1.The organisation and its reporting practices	2-1 Organisational details	1.Meet UCI
	2-2 Entities covered by sustainability reporting	0.Preliminary clarifications on this report. UCI presents the audited consolidated financial statements.
	2-3 Reporting period, frequency and point of contact	0.Preliminary clarifications on this report
	2-4 Updating information	4.1 Environmental indicators. The information relating to the environmental data on CO2 emissions for the year ended December 31, 2023 has been restated because it includes information on this point with a date subsequent to the verification of the NFIS 2023.
	2-5 External verification	External verification report
2. Activities and workers	2-6 Activities, value chain and other business relationships	1.Meet UCI, 3.1 We greenimise, 3.3 Business Conduct: G.2 Responsible Supplier Management
	2-7 Employees	3.2 We accompany you: S1 People First, 4.2 social indicators: employees
3. Governance	2-9 Governance structure and composition	1.Meet UCI, Our Corporate Governance
	2-10 Appointment and selection of the highest governance body	1.Meet UCI, Our Corporate Governance
	2-11 Chairperson of the highest governing body	1.Meet UCI, Our Corporate Governance
	2-12 The highest governance body's role in overseeing the management of impacts	1.Meet UCI, Our Corporate Governance
	2-13 Delegation of responsibility for impact management	1.Meet UCI, Our Corporate Governance
	2-14 The highest governance body's role in sustainability reporting	Our sustainability model, 2.1 Governance and Sustainability Management
	2-15 Conflicts of interest	1.Meet UCI, Our Corporate Governance G.1 Ethics and corporate integrity
	2-16 Communicating critical concerns	1.Meet UCI, Our Corporate Governance 3.2 We accompany you: S.2 Customer at the centre, 3.3 Corporate culture: G.1 Corporate ethics and integrity
	2-18 Evaluation of the highest governance body's performance	1.Meet UCI, Our Corporate Governance
	2-19 Remuneration policies	1.Meet UCI, Our Corporate Governance
	2-20 Process for determining remuneration	1.Meet UCI, Our Corporate Governance
	2-21 Total annual compensation ratio	4.2 social indicators: pay and salary gap

GRI Standard	Content	Location in the Report
GRI 2 General Contents		
4.Strategy, policies and practices	2-22 Sustainable Development Strategy Statement	2. Our sustainability model
	2-23 Commitments and policies	2. Our sustainability model, 3.3 Business conduct: G.1 Corporate ethics and integrity
	2-24 Mainstreaming commitments and policies	Our sustainability model 3.2 We accompany you: S.1 People first, S.2 Customer at the centre, S.3 Our social commitment, S.4 Professionalisation of the real estate sector, 3.3 Business conduct: G.1 Ethics and corporate integrity, G.2 Responsible management of suppliers
	2-25 Processes to remedy negative impacts	3.2 We accompany you: S.2 Customer at the centre, 3.3 Business conduct: G.1 Ethics and corporate integrity, G.2 Responsible Supplier Management, G.5 Integrated Risk Management
	2-26 Mechanisms for seeking advice and raising concerns	3.2 We accompany you: S.1 people first: D.Dialogue and communication with employees, 3.3 Business conduct: G.1 Ethics and corporate integrity (ethical channel), G.2 Responsible Supplier Management
	2-28 Membership of associations	UCI participates in the sectoral associations representing mortgage activity in the countries in which it operates, such as the AHE in the case of Spain. 5.1 Table of alliances
5. Stakeholder engagement	2-29 Approach to Stakeholder Engagement	2.2 Our sustainability model: 2.4 Double Materiality Analysis 3.2 We accompany you 3.3 Business Conduct: G.3 Privacy and Data Protection
	2-30 Collective bargaining agreements	3.2 We accompany you: S.1 People first, C Responding to employees' needs 4.2 social scoreboard: industrial relations

GRI 3 Material Issues		
Material issues	3-1 Process of determining the material issues	Our sustainability model: 2.4 Double materiality analysis
	3-2 List of material items	Our sustainability model: 2.4 Double materiality analysis
	3-3 Management of material issues	Statement of Non-Financial Information

GRI Standards-Thematic content		
Economic dimension	**Content**	**Location in the Report**
Economic performance		
GRI 3 Material Issues	3-3 Management of material issues	1.Meet UCI, 2.Our sustainability model, 3.1 We greenimise
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	This information is contained in the entity's Annual Report.
	201-2 Financial implications and other risks and risks and opportunities arising from climate change	3.1 We greenimise, 3.3 Business Conduct: G.5 Integrated risk management
	201-4 Financial assistance received from the government	3.3 Business Conduct: G.6 Tax contribution
Market presence		
GRI 3 Material Issues	3-3 Management of material issues	1.1 Meet UCI, 3.2 We accompany you, S1 People first
GRI 202: Market presence	202-1 Ratios between the standard entry level wage by gender and the local minimum wage	4.1 Social Indicators: employees and the pay and remuneration gap.
	202-2 Proportion of senior executives recruited from the local community	4.1 Social indicators: employees by professional category. The human resources model is aimed at attracting and retaining the best professionals where UCI is present.

GRI Standards-Thematic content		
Economic dimension	**Content**	**Location in the Report**
Anti-corruption		
GRI 3 Material Issues	3-3 Management of material issues	3.3 Business Conduct: G.1 Corporate ethics and integrity
GRI 205: Anti-corruption	205-1 Operations assessed on the basis of corruption-related risks	3.3 Business Conduct: G.1 Corporate Ethics and Integrity, 4.3 Governance Indicators: Ethics and Compliance
	205-2 Communication and training on anti-corruption policies and procedures	3.3 Business Conduct: G.1 Ethics and Corporate Integrity, 4.3 Governance Indicators: Ethics and Compliance
	205-3 Confirmed incidents of corruption and actions taken	3.3 Business Conduct: G.1 Ethics and Corporate Integrity, 4.3 Governance Indicators: Ethics and Compliance

GRI Standards-Thematic content		
Environmental dimension	**Content**	**Location in the Report**
Materials		
GRI 3 Material Issues	3-3 Management of material issues	2.Our sustainability model, 3.1 We greenimise
GRI 301: Materials	301-1 Materials used by weight or volume	3.1 We greenimise, E4 Our environmental footprint, 4.1 environmental indicators: Consumption
Energy		
GRI 3 Material Issues	3-3 Management of material issues	2.Our sustainability model, 3.1 We greenimise
GRI 302: Energy	302-1 Intra-organisational energy consumption	3.1 We greenimise, 4.1 environmental indicators: Consumptions
	302-2 Energy consumption outside the organisation	3.1 We greenimise, 4.1 environmental indicators: Consumptions
	302-3 Energy intensity	3.1 We greenimise, 4.1 environmental indicators: Consumptions
	302-4 Reduction of energy consumption	3.1 We greenimise, 4.1 environmental indicators: Consumptions
Water and effluents		
GRI 3 Material Issues	3-3 Management of material issues	2.Our sustainability model, 3.1 We greenimise
GRI 303: Water and effluents	303-5 Water consumptionx000D_	2.Our sustainability model, 3.1 We greenimise: E4, Our environmental footprint, 4.1 environmental indicators: Consumption, E4.
Emissions		
GRI 3 Material Issues	3-3 Management of material issues	2.Our sustainability model, 3.1 We greenimise
GRI 305: Emissions	305-1 Direct GHG emissions (Scope 1)	3.1 We greenimise, E4 our environmental footprint, GHG emissions, 4.1 environmental indicators, GHG emissions
	305-2 Energy-related indirect GHG emissions (Scope 2)	3.1 We greenimise, E4 our environmental footprint, GHG emissions, 4.1 environmental indicators, GHG emissions
	305-3 Other indirect GHG emissions (scope 3)	3.1 We greenimise, E4 our environmental footprint, GHG emissions, 4.1 environmental indicators, GHG emissions
	305-5 Reduction of GHG emissions	3.1 We greenimise, E4 our environmental footprint, GHG emissions, 4.1 environmental indicators, combating climate change
Waste		
GRI 3 Material Issues	3-3 Management of material issues	2.Our sustainability model, 3.1 We greenimise
GRI 306: Waste	306-1 Waste generation and significant impacts related to waste	3.1 We greenimise, E4 our environmental footprint, circular economy and waste management, 4.1 environmental indicators, waste
	306-2 Management of significant impacts related to waste	3.1 We greenimise, E4 our environmental footprint, circular economy and waste management, 4.1 environmental indicators, waste
	306-3 Waste generated	3.1 We greenimise, E4 our environmental footprint, circular economy and waste management , 4.1 environmental indicators, waste
	306-4 Wastes not destined for disposal	3.1 We greenimise, E4 our environmental footprint, circular economy and waste management, 4.1 environmental indicators, waste
	306-5 Wastes for disposal	3.1 We greenimise, E4 our environmental footprint, circular economy and waste management, 4.1 environmental indicators, waste

GRI Standards-Thematic content		
Environmental dimension	**Content**	**Location in the Report**
Environmental assessment of suppliers		
GRI 3 Material Issues	3-3 Management of material issues	Our Sustainability Model, 3.3 Business Conduct: G.2 Responsible Supplier Management
GRI 308: Environmental assessment of suppliers	308-1 New suppliers that have passed selection filters according to environmental criteria	Our Sustainability Model, 3.3 Business Conduct: G.2 Responsible Supplier Management
	308-2 Impactos ambientales negativos en la cadena de suministro y medidas tomadas	Our Sustainability Model, 3.3 Business Conduct: G.2 Responsible Supplier Management

Social dimension	Content	Location in the Report
Employment		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S1 People first, A Talent management and people development, C Serving the needs of employees
GRI 401: Employment	401-2 Benefits for full-time employees which are not provided to part-time or temporary employees	All the benefits listed under 3.2 We accompany you: S1 People first, A Talent management and people development and C Serving the needs of employees are applied to employees.
	401-3 Parental leave	3.2 We accompany you: S1 People first, C Responding to the needs of employees
Health and safety at work		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S1 People first, C Responding to the needs of employees
GRI 403: Health and safety at work safety at work	403-1 Occupational health and safety management system health and safety management system	UCI has an occupational health and safety management system that complies with the legal requirements on occupational health and safety. 3.2 We accompany you: S1 People first, C Meeting the needs of employees
	403-6 Promoción de la salud de los trabajadores	3.2 We accompany you: S1 People first, C Responding to the needs of employees
	403-8 Coverage of the occupational health and safety management system	100% of UCI's own employees are covered by the occupational health and safety management system.
	403-9 Work-related injuries	4.2 social indicators: accidents at work and occupational diseases
	403-10 Occupational diseases and illnesses	4.2 social indicators: accidents at work and occupational diseases
Training and education		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S1 People first, B Training
GRI 404: Training and education	404-1 Average number of training hours per year per employee	4.2 social indicators, education and training. Requirement b. breakdown by occupational category
	404-2 Programmes to develop employee skills and transition assistance programmes	3.2 We accompany you: S1 People first, A Talent management and people development, B Training
	404-3 Percentage of employees receiving regular performance and career development reviews	3.2 We accompany you: S1 People first, A Talent management and people development,
Diversity and equal opportunities		
GRI 3Topics Materials	3-3 Management of material issues	3.2 We accompany you: S1 People first, E Diversity, equality and inclusion
GRI 405: Diversity and Equal Opportunities	405-1 Diversity of governing bodies and employees	Meet UCI, Our Corporate Governance 3.2 We are with you: S1 People first, E Diversity, equality and inclusion, 4.2 Social indicators: employees and inclusion and diversity,
	405-2 Ratio between basic salary and remuneration of women and men	3.2 We accompany you: S1 People first, E Diversity, equality and inclusion, 4.2 social indicators: pay and salary gap
Non-discrimination		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S1 People first, E Diversity, equality and inclusion 3.3 Business conduct: G1 Corporate ethics and integrity
GRI 406: Non-discrimination	406-1 Cases of discrimination and corrective actions taken	3.2 We accompany you: S1 People first, E Diversity, equality and inclusion 3.3 Business conduct, G1 Corporate ethics and integrity

GRI Standards-Thematic content		
Social dimension	**Content**	**Location in the Report**
Client health and safety		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S2 Client at the centre
GRI 416: Customer Health and Safety	416-1 Assessment of the impacts of product and service health and safety impacts of categories of products and services safetyx000Dx000Dx000D	3.2 We accompany you: S2 Customer at the centre, B. Protecting the customer's interest, C.Customers in difficult payment situations
Marketing and labelling		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S2 Customer at the centre, B. Protecting the customer's interest, D. Customers in difficult payment situation
GRI 417: Marketing and labelling	417-1 Requirements for information and labelling of products and services	3.2 We accompany you: S2 Customer at the centre. UCI is a member of the Association for Commercial Self-Regulation (Autocontrol) and is ethically committed to responsible commercial communication with customers.
Customer privacy		
GRI 3 Material Issues	3-3 Management of material issues	3.2 We accompany you: S2 Customer at the centre, 3.3 Business conduct: G1 Ethics and corporate integrity, G.3 Privacy and data protection, G.4 Information security
GRI 418: Customer privacy	418-1 substantiated complaints regarding breaches of customer privacy and loss of customer data	UCI in the period 2024 has had no substantiated claims.

6.3. UN Global Compact

As member of the United Nations Global Compact and through this Non-Financial Reporting Status Report, we present our responsibility for ESG content and our support for the Global Compact's Ten Principles on human rights, labour standards, environment and anti-corruption,

Global Compact Principles	Section Report where it is found
Human rights	
Principle 1	
Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	3.1 We greenimise E1 Taxonomy 3.2 We accompany you S1 People First 3.3 Business Conduct G1 Ethics and Corporate Integrity
Principle 2	
Businesses should make sure that their companies are not complicit in human rights abuses	3.1 We greenimise E1 Taxonomy 3.2 We accompany you S1 People First 3.3 Business Conduct G1 Ethics and Corporate Integrity
Labour standards	
Principle 3	
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	3.2 We accompany you S1 People First 3.3 Business Conduct G1 Ethics and Corporate Integrity
Principle 4	
Businesses should support the elimination of all forms of forced and compulsory labour.	3.2 We accompany you S1 People First 3.3 Business Conduct G1 Ethics and Corporate Integrity
Principle 5	
Businesses should support the elimination of child labour	3.3 Business Conduct G1 Ethics and Corporate Integrity
Principle 6	
Businesses should support the abolition of discrimination in respect of employment and occupation.	3.2 We accompany you S1 People First 3.3 Business Conduct G1 Ethics and Corporate Integrity

Global Compact Principles	Section Report where it is found
Environment	
Principle 7	
Businesses should maintain a precautionary approach that favours the environment.	2 Our sustainability model 3.1 We greenimise 3.3 Business Conduct G5 Integrated Risk Management
Principle 8	
Businesses should encourage initiatives that promote greater environmental responsibility.	2. Our Sustainability Model 3.1 We greenimise
Principle 9	
Businesses should encourage the development and diffusion of environmentally friendly technologies.	2. Our Sustainability Model 3.1 We greenimise
Anti-corruption	
Principle 10	
Businesses should work against corruption in all its forms, including extortion and bribery.	3.3 Business Conduct G1 Ethics and Corporate Integrity

6.4. Contribution to the Sustainable Development Goals

At UCI we have identified 5 SDGs as priorities, 4 interrelated and 1 cross-cutting, with a contribution to 21 higher impact targets.

Contribution to the Sustainable Development Goals

Targets associated with the SDGs	Section Report where it is found
SDG 4	
4.3 Ensure equal access for all men and women to quality technical, vocational and tertiary education, including university education	2.5 Contribution to the 2030 Agenda 3.2 We accompany you
SDG 5	
5.5 Ensure women's full and effective participation and equal opportunities for leadership at all decision-making levels in political, economic and public life.	2.5 Contribution to the 2030 Agenda 3.2 We accompany you
SDG 7	
7.2 Increasing the share of renewable energy in the energy mix	2.5 Contribution to the 2030 Agenda 3.1 We greenimise
7.3 Double the global rate of energy efficiency improvements	2 Our sustainability model 3.1 We greenimise
SDG 8	
8.5 Achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value	2.5 Contribution to the 2030 Agenda 3.2 We accompany you
8.8 Protecting labour rights and promoting a safe and secure working environment	2.5 Contribution to the 2030 Agenda 3.2 We accompany you S1 People First 3.3 Business conduct G1 Ethics and Corporate Integrity
8.10 Strengthen the capacity of financial institutions to promote and expand access to banking, insurance and financial services	3.2 We accompany you
SDG 10	
10.2 Enhance and promote the social, economic and political inclusion of all persons, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status.	2.5 Contribution to the 2030 Agenda 3.2 We accompany you 3.3 Business conduct G1 Ethics and corporate integrity
10.3 Ensuring equality of opportunity and reducing inequality of outcomes	3.2 We accompany you 3.3 Business Conduct G1 Ethics and Corporate Integrity
SDG 11	
11.1 Ensure access for all people to adequate, safe and affordable housing and basic services and improve slums	2.5 Contribution to the 2030 Agenda 3.1 We greenimise 3.2 We accompany you
11.3 Increase inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlements planning and management;	2 Our sustainability model 3.1 We greenimise 3.2 We accompany you

Contribution to the Sustainable Development Goals	
SDG 12	
12.2 Achieving sustainable management and efficient use of natural resources	2.5 Contribution to the 2030 Agenda 3.1 We greenimise
12.5 Reduce waste generation through prevention, reduction, recycling and reuse activities.	3.1 We greenimise E4 Our Environmental Footprint 4.1 Environmental indicators
12.6 Encourage companies to adopt sustainable practices and incorporate sustainability information into their reporting cycle.	2 Our sustainability model 3.1 We greenimise 3.3 Business conduct
12.8 Ensure that people everywhere have the relevant information and knowledge for sustainable development and lifestyles in harmony with nature	2 Our sustainability model 3.1 We greenimise 3.2 We accompany you 3.3 Business conduct
SDG 13	
13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	2.5 Contribution to the 2030 Agenda 3.1 We greenimise 3.3 Business Conduct G5 Integrated Risk Management
13.3 Improve education, awareness and human and institutional capacity for climate change mitigation, adaptation, mitigation and early warning	3.1 We greenimise 3.2 We accompany you
SDG 16	
16.5 Reducing corruption and bribery in all its forms	2.5 Contribution to the 2030 Agenda 3.3 Business conduct G1 Corporate ethics and integrity
16.6 Creating effective and transparent institutions that are accountable	2.5 Contribution to the 2030 Agenda 3.3 Business conduct
16.7 Ensure inclusive, participatory and representative decision making at all levels that responds to the needs of the population.	2.5 Contribution to Agenda 2030 3.2 We accompany you 3.3 Business conduct
SDG 17	
17.17 Encourage and promote effective partnerships in the public, public-private and civil society spheres, drawing on the experience and resourcing strategies of partnerships	2.5 Contribution to the 2030 Agenda 3.1 We greenimise 3.2 We accompany you 3.3 Business conduct Statement of Non-Financial Information 5. Table of alliances

07

External verification report

Alcalá, 63
28014 – Madrid
España
+34 915 624 030
www.forvismazars.com/es

forvis mazars

Informe de Verificación Independiente del Estado de Información no Financiera Consolidado

A los Accionistas de
UCI, S.A.

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera Consolidado adjunto (en adelante EINF) correspondiente al ejercicio anual finalizado el 31 de diciembre de 2024, de **UCI, S.A.** (en adelante, la Sociedad dominante) **y sociedades dependientes** (en adelante el Grupo) que forma parte del Informe de Gestión Consolidado del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en el apartado “6.1 Ley 11/2018 sobre información no financiera” incluido en el EINF adjunto.

Responsabilidad de los Administradores

La formulación del EINF incluido en el Informe de Gestión Consolidado del Grupo, así como el contenido del mismo, es responsabilidad de los Administradores de la Sociedad dominante. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards de Global Reporting Initiative* (estándares GRI), seleccionados de acuerdo a lo mencionado para cada materia en la tabla incluida en el apartado “6.1 Ley 11/2018 sobre información no financiera” del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los Administradores de la Sociedad dominante son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código Internacional de Ética para Profesionales de la Contabilidad (incluidas las normas internacionales de independencia) del Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (Código de ética del IESBA por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Gestión de la Calidad (NIGC) 1, que requiere que la firma diseñe, implemente y opere un sistema de gestión de la calidad que incluya políticas y procedimientos relativos al cumplimiento de los requerimientos de ética, normas profesionales y requerimientos legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Oficinas en: Alicante, Barcelona, Bilbao, Madrid, Málaga, Valencia, Vigo

Forvis Mazars Auditores, S.L.P. Domicilio Social: C/Diputació, 260 - 08007 Barcelona
Registro Mercantil de Barcelona, Tomo 30.734, Folio 212, Hoja B-180111, Inscripción 1ª, N.I.F. B-61622262

forvis mazars

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría o de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas en España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en su naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad que se obtiene es sustancialmente menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades del Grupo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal del Grupo para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.

- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2024 en función del análisis de materialidad realizado por el Grupo y descrito en el apartado "2.4 Análisis de Doble Materialidad" considerando contenidos requeridos en la normativa mercantil en vigor.

- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2024.

- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2024.

- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2024 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.

- Obtención de una carta de manifestaciones de los Administradores y la Dirección.

Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido, no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF de **UCI, S.A. y sociedades dependientes** correspondiente al ejercicio anual finalizado el 31 de diciembre de 2024 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados, de acuerdo a lo mencionado para cada materia en la tabla denominada "6.1 Ley 11/2018 sobre información no financiera" del citado Estado.

forvis mazars

Párrafo de Énfasis

En base al Reglamento (UE) 2020/852 del Parlamento Europeo y del Consejo de 18 de junio de 2020 relativo al establecimiento de un marco para facilitar las inversiones sostenibles, así como en base a los Actos Delegados promulgados de conformidad con lo establecido en dicho Reglamento, se establece, para los ejercicios de 2023 y 2024, la obligación de divulgar información sobre la manera y la medida en que las actividades de la empresa se asocian a actividades económicas elegibles en relación con las actividades incluidas en los objetivos medioambientales de uso sostenible y protección de los recursos hídricos y marinos, transición hacia una economía circular, prevención y control de la contaminación, y protección y recuperación de la biodiversidad y ecosistemas; y con respecto a determinadas nuevas actividades incluidas en los objetivos de mitigación del cambio climático y de adaptación al cambio climático. Asimismo, en la normativa indicada, se establece, para los ejercicios de 2023 y 2024, la obligación de divulgar información sobre la manera y la medida en que las actividades de la empresa se asocian a actividades económicas elegibles y alineadas en relación con las actividades incluidas en los objetivos medioambientales de mitigación del cambio climático y de adaptación al cambio climático excluyendo las nuevas actividades mencionadas anteriormente. En este sentido, los administradores de **UCI, S.A.** han incorporado información sobre los criterios que, en su opinión, permiten dar mejor cumplimiento a tales obligaciones y que están definidos en el apartado "E.1 Taxonomía" del EINF adjunto. Nuestra conclusión no ha sido modificada en relación con esta cuestión.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos o jurisdicciones.

Madrid, 13 de junio de 2025

Forvis Mazars Auditores, S.L.P.

Oscar Herranz López

INSTITUTO DE CENSORES JURADOS DE CUENTAS DE ESPAÑA

FORVIS MAZARS AUDITORES, S.L.P.

2025 Núm. 01/25/05608

SELLO CORPORATIVO: 30,00 EUR

Sello distintivo de otras actuaciones

04 Key Data

Highlights	2024	2023	**Variation**
CONSOLIDATED PRODUCTION (M€)	477.3	402.9	**18.5%**
LOAN PRODUCTION SPAIN (M)	322.1	274.6	17.3%
LOAN PRODUCTION PORTUGAL(M)	155.2	128.3	21.0%
Total Consolidated Loans Managed (M€)	8,931.6	9,550.4	**-6.5%**
BALANCE Spain	4,727.6	4,820.2	-1.9%
BALANCE Portugal	772.3	719.2	7.4%
BALANCE Greece	148.0	161.9	-8.6%
Spanish on Balance Consolidated Placed RMBS (UCI 11-17 + Prado V-X)	2,958.5	3,438.2	-14.0%
Portugal on Balance Consolidated Placed RMBS (Green Belem 1 & Belem 2)	325.3	411.0	-20.9%
Nº of Files Under Management (Spain, Portugal and Greece)	103,665	108,798	-4.7%
Nº of Solutions (Sales + rentals) Repossessed Homes (*)	1,244	1,195	49
Nº of Branch Offices (*)	22	23	-1
External Agents (*)	137	155	-18
Nº of Employees (**)	586	637	-51

(*): Spain+Portugal+Greece
(**): with temporary employees and Comprarcasa (Spain and Portugal)

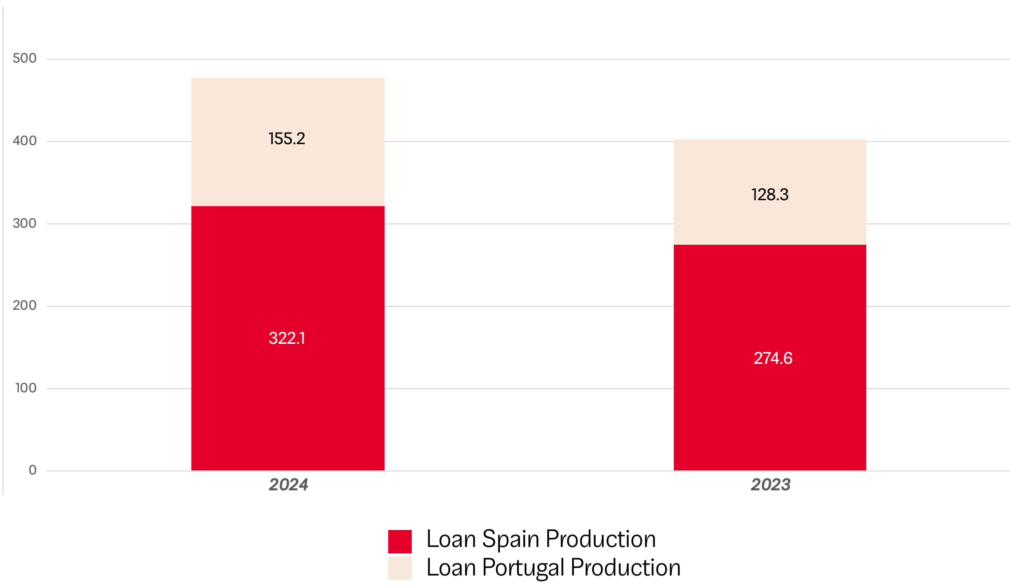
Consolidated Financials (IFRS 9 in 2020)		**2024**	**2023**	**Variation**
Gross Margin (M)		30.2	59.3	-49.0%
Financial Margin (**)		34.4	66.4	-48.3%
Comissions Fees and Other Incomes (*)		-4.1	-7.1	-42.0%
General Expenses (M)	(€4.7 M excepcional expenses in FY-23 vs €1,6M in FY-24)	50.4	56.9	-11.4%
Net Operating Margin (M)		-20.2	2.4	-941.2
Cost of Risk (M)	(€20 M excepcional expenses Carabela I&II in H2-24)	128.9	38.1	238.4%
Ordinary Profit Before Taxes (M)		-62.3	81.6	-23.7%
Taxes (M)		7.5	-5.4	
Consolidated Net Result (M)		**-69.8**	**-76.2**	**-8.4**

(*): Deducted Origination Fees (opening- real estate agent- agent)
(**) including excepcional IRS €19.3M in Q3-23 vs €oM in FY-24
(***): Including participations (+ € 0K)

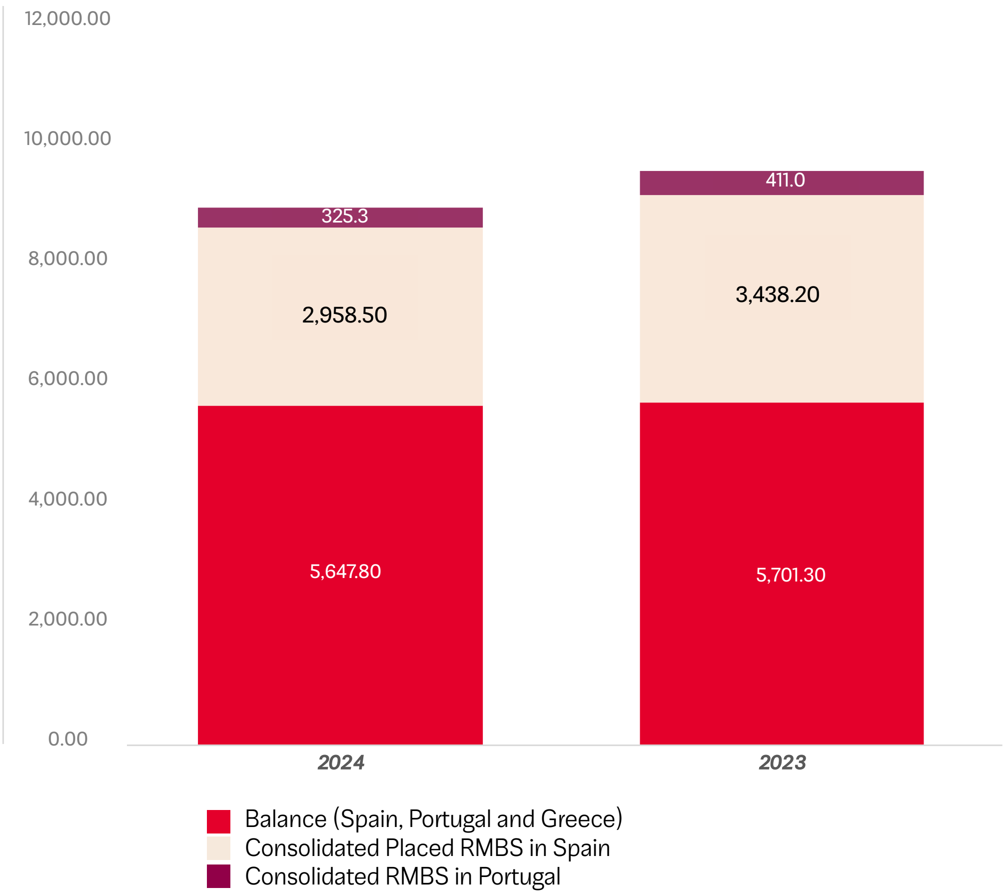
CONSOLIDATED FINANCIALS (IFRS 9 y CRD IV in 2020)	**2024**	**2023**	**Variation**
Suscribed Capital (M)	475.0	393.0	**82.0**
Reserves (Tier 1 + annual balance N) (1) (M)	41.6	117.4	-75.8
TOTAL TIER 1 computable (including AT1) (M)	511.9	589.3	-77.5
TOTAL TIER 2 *(Subordinated Debt) (M)*	149.2	150.0	-0.8
TOTAL Equity Tier 1 + Tier 2 (M)	661.0	739.3	-78.3
% RWA	43.0%	45.5%	-2.5%
% Equity Ratio (Tier 1) (1)	12.1%	12.4%	-0.4%
% Equity Ratio (Total) (1)	15.5%	15.6%	-0.1%
% ROE	-13.7%	-15.0%	1.3%
NPL Loans +90D D without subjective loans (M)	786.9	916.2	-129.3
NPL subjective loans (M)	322.9	538.5	-215.6
Repossessed Homes Under Management (Spain, Portugal and Greece) (N)	3,123	3,637	514
Total Provisions on Loans (M)	240.9	304.6	-63.7
Total Provisions Stage 1	6.1	11.4	-5.2
Total Provisions Stage 2 / Specific Monitoring	20.2	23.2	-3
Total Provisions Stage 3/ Sfecific without subjective NPL (M)	185.1	227.5	-42.4
Total provisions specific subjective. Stage 3 (M)	29.4	42.5	-13.1
Total provisions on repossessed homes (M)	53.3	67.2	-14.0
Total Provisions	**294.1**	**371.8**	**-77.7**
% NPL's on Loans Managed (Balance Sheet + Securitized) > 90 days Not Including Subjective Non-performing Loans *	8.81%	9.59%	-78.3
%NPL´s Subjective Non-Performing Loans - incl. Ptg+Gre since 2020	3.62%	5.64%	-202.3
% Global NPL	**12.43%**	**15.23%**	**-280.6**
% Global NPA´s	**13.9%**	**17.0%**	**-310.0**
NPL > 90D+Repossessed Homes Coverage (N)	21.7%	23.0%	-1.3%
%Consolidated Efficiency Ratio	159.1%	132.1%	27.0%

(1): RWA Standard version + standard operational risk (since Dec-2015)

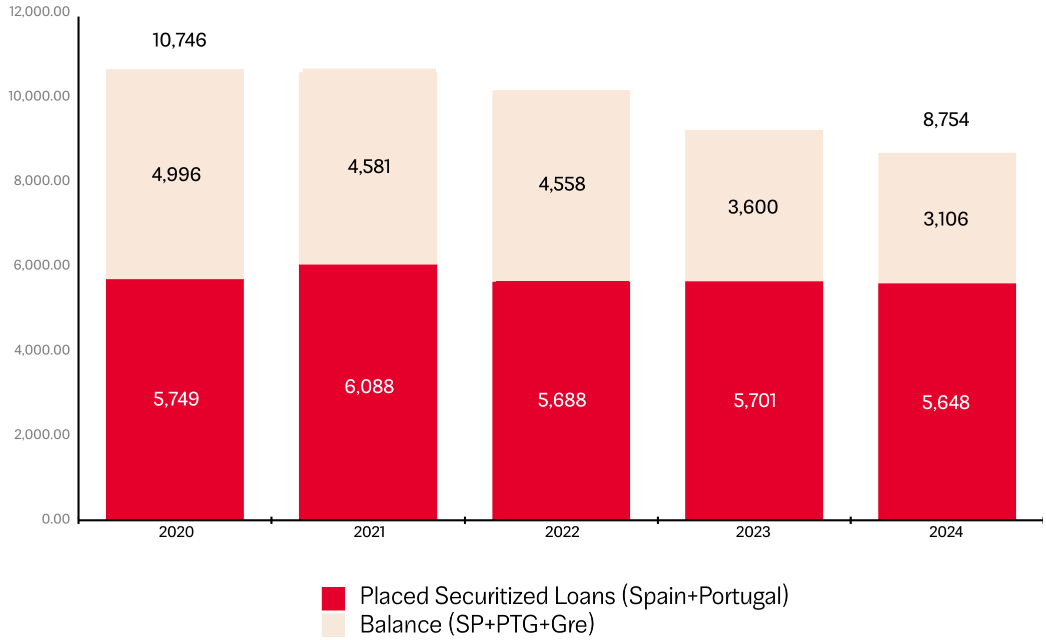
Consolidated Production(M€)



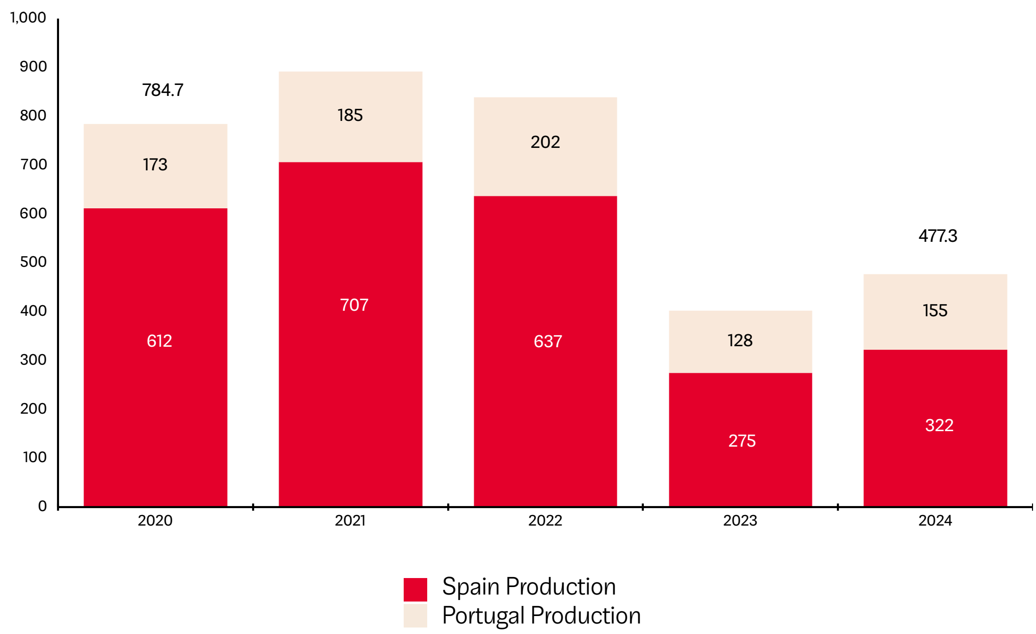
Total Managed loans (M€)



Managed Loans Evolution (M€)



New loan production (M€)



05 Financial Information

U.C.I., S.A. and Subsidiary Companies (UCI GROUP)

Consolidated financial statements and consolidated management report for the year ended 31 December 2024

UCI

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Balance Sheet as of December 31, 2024
(Expressed in thousands of euros)

ASSETS	Note	2024	2023(*)	LIABILITIES AND SHAREHOLDERS' EQUITY	Note	2024	2023
Cash, cash balances at central banks and other demand deposits	**16**	147,768	**203,724**	**Financial liabilities held for trading**		**52,932**	**76,759**
Cash		1	3	Derivatives	**24**	52,932	76,759
Other demand deposits		147,767	203,721	Short positions		-	-
Financial assets held for trading	**24**	**51,653**	**75,225**	Deposits		-	-
Trading derivatives		51,653	75,225	**Financial liabilities designated at fair value through profit and loss**		-	-
				Financial liabilities at amortized cost	**23**	**9,102,469**	**9,680,857**
Non-trading financial assets mandatorily measured at fair value through profit or loss		-	-	Deposits		**7,140,268**	**7,242,169**
				Central Banks		-	-
				From credit institutions		7,140,268	7,242,169
Equity instruments		-	-	From customers		-	-
Debt securities		-	-	Debt securities		1,932,672	2,406,068
Loans and advances		-	-	Other financial liabilities		29,529	32,620
Financial assets designated at fair value through profit or loss		-	-	**Derivatives - hedge accounting**	**25**	**34,569**	**25,961**
Equity instruments		-	-				
Debt securities		-	-	**Provisions**	**26**	**23,929**	**20,436**
Loans and advances		-	-	Pensions and other post-employment defined benefit obligations		-	-
Financial assets designated at fair value through other comprehensive income:		-	-	Other long-term employee benefits		-	-
Debt securities		-	-	Commitments and guarantees granted		-	-
Loans and advances		-	-	Other provisions		23,929	20,436
Financial assets at amortized cost	**17**	**9,108,209**	**9,572,994**	**Tax liabilities**	**21**	**42,864**	**65,358**
Debt securities		68,650	228,139	Current tax liabilities		1,738	1,603
Due from credit institutions		248,656	-	Deferred tax liabilities		41,126	63,755
Loans and advances to customers		8,790,903	9,344,855				
Hedging derivatives	**25**	**174,183**	**244,590**	**Other liabilities**	**22**	**18,480**	**20,451**
Changes in the fair value of hedged items in a portfolio with interest rate risk hedge		-	-	**Liabilities included in disposable groups of items that have been classified as held for sale**		-	-
Investments in joint ventures and associates		-	-	**TOTAL LIABILITIES**		**9,275,243**	**9,889,822**
				SHAREHOLDERS' EQUITY			
Tangible assets	**19**	**158,045**	**162,899**	**Shareholders' equity**	**29**	**516,631**	**510,347**
Property, plant and equipment		21,538	25,199	Capital		227,438	182,191
Real estate investments		136,507	137,700	Disbursed		227,438	182,191
				Additional paid-in capital		247,580	210,827
Intangible assets	**20**	**5,371**	**4,562**	Issued equity instruments other than capital		-	-
Goodwill		-	-	Other equity items		-	-
Other intangible assets		5,371	4,562	Retained earnings		111,422	193,819
				Other reserves		-	-
Tax assets	**21**	**83,411**	**89,354**	Income for the year		(69,809)	(76,490)
Current tax assets		833	658	Less: Interim dividends		-	-
Deferred tax assets		82,578	88,696				
				Accumulated other comprehensive income		**95,882**	**148,693**
Other assets		**37,434**	**34,121**	**Items not to be reclassified to the income statement**		-	-
Insurance contracts related to pensions		-	-	**Items that may be reclassified to profit or loss**		**95,882**	**148,693**
Inventories		-	-	Coverage of net investments in foreign operations		-	-
Other assets	**22**	37,434	34,121	Foreign currency translation		-	-
Non-current assets held for sale	**18**	**121,682**	**161,393**	Hedging derivatives. Cash flow hedge reserve	**28**	95,882	148,693
				TOTAL SHAREHOLDERS' EQUITY		**612,513**	**659,040**
TOTAL ASSETS		**9,887,756**	**10,548,862**	**TOTAL EQUITY AND LIABILITIES**		**9,887,756**	**10,548,862**
MEMORANDUM ITEM: OFF-BALANCE SHEET EXPOSURES	**32**	**47,645**	**40,642**				
Loan commitments granted		45,710	38,707				
Financial guarantees granted		-	-				
Other commitments granted		1,935	1,935				

The accompanying Notes 1 to 36 are an integral part of the consolidated balance sheet as of December 31, 2024.
(*) Presented for comparison purposes only.

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated profit and loss account for the year ended December 31, 2024
(Expressed in thousands of euros)

	Note	2024	2023(*)
Interest income	**33**	**603,856**	**553,363**
Financial assets at amortized cost		352,069	334,772
Derivatives - hedge accounting, interest rate risk		251,238	218,491
Other assets		549	100
(Interest expense)	**34**	**(571,190)**	**(510,924)**
NET INTEREST INCOME		**32,666**	**42,439**
Dividend income		-	-
Commission income		7,132	6,260
(Commission expenses)		(4,631)	(3,655)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net		-	111
Gains or (-) losses from financial assets and liabilities held for trading, net	**25**	669	20,014
Gains or (-) losses from financial assets and liabilities held for trading, net		-	-
Gains or (-) losses on financial assets not held for trading mandatorily measured at fair value through profit or loss, net		(220)	862
Gains or (-) losses from financial assets and liabilities designated at fair value through profit or loss, net		-	-
Gains or (-) losses on financial assets and liabilities not designated at fair value through profit or loss, net - - - Gains or (-) losses on financial assets and liabilities not held for trading, net		-	-
Gains or (-) losses resulting from hedge accounting, net - - - Gains or (-) losses resulting from hedge accounting, net		-	-
Exchange differences [gain or (-) loss], net		(147)	-
Other operating income		5,056	3,883
Other operating expenses		-	-
GROSS MARGIN		**40,525**	**69,914**
Administrative expenses		**(86,278)**	**(88,502)**
Personnel expenses	**35**	(33,905)	(39,782)
Other general administrative expenses	**36**	(52,373)	(48,720)
Amortization	**19 y 20**	**(5,361)**	**(4,787)**
Provisions or (-) reversal of provisions		**(1,452)**	**(908)**
Impairment or (-) reversal of impairment of financial assets not measured at fair value through profit or loss		**(11,828)**	**(69,047)**
Financial assets at amortized cost	**17**	(11,828)	(69,047)
Financial assets at fair value with changes in other comprehensive income		-	-
RESULT FROM OPERATING ACTIVITIES		**(64,394)**	**(93,329)**
(-) Impairment or reversal of impairment of non-financial assets		**(44)**	**(1,244)**
Tangible assets		86	(80)
Real estate investments		1,847	291
Intangible assets		-	-
Other		(1,977)	(1,456)
Share of profit or (-) loss on investments in subsidiaries, joint ventures and associates accounted for using the equity method		-	-
Gains or (-) losses on derecognition of non-financial assets, net		-	-
Gains or (-) losses from non-current assets and disposable groups of items classified as held for sale not eligible for discontinued operations	**18**	2,179	12,669
INCOME BEFORE TAXES		**(62,259)**	**(81,905)**
(Income tax expense or (-) income tax income from results of continuing operations)	**31**	(7,550)	5,415
INCOME FOR THE YEAR FROM CONTINUING OPERATIONS		**(69,809)**	**(76,490)**
Profit (loss) after tax from discontinued operations		-	-
PROFIT (LOSS) FOR THE YEAR		**(69,809)**	**(76,490)**

The accompanying Notes 1 to 36 are an integral part of the consolidated income statement as of December 31, 2024.
(*) Presented solely and exclusively for comparative purposes.

UCI, S.A. and Subsidiaries (UCI GROUP)
Consolidated statement of changes in equity for the year ended December 31, 2024.
(Expressed in thousands of euros)

A) CONSOLIDATED STATEMENTS OF RECOGNIZED INCOME AND EXPENSE FOR THE YEAR ENDED DECEMBER 31, 2024.

	2024	2023 (*)
INCOME FOR THE YEAR	**(69,809)**	**(76,490)**
OTHER COMPREHENSIVE INCOME	**(52,811)**	**(131,693)**
ITEMS NOT TO BE RECLASSIFIED TO PROFIT OR LOSS	-	-
Actuarial gains (losses) on defined benefit pension plans	-	-
Non-current assets and disposable groups of items held for sale	-	-
Changes in fair value of equity instruments measured at fair value with changes in other comprehensive income, net	-	-
Gains (losses) from hedge accounting of equity instruments at fair value with changes in other comprehensive income, net	-	-
Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in credit risk	-	-
Other valuation adjustments	-	-
Income tax relating to items that will not be reclassified	-	-
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	**(52,811)**	**(131,693)**
Hedging of net investments in foreign operations (effective portion)	-	-
Foreign currency translation	-	-
Cash flow hedges (effective portion)	(75,444)	(188,103)
Gains (losses) in value recorded in shareholders' equity	16,627	(223,244)
Transferred to income	(92,071)	35,141
Transferred to the initial carrying amount of hedged items	-	-
Other reclassifications	-	-
Debt instruments at fair value with changes in other comprehensive income	-	-
Gains (losses) in value recorded in shareholders' equity	-	-
Transferred to income	-	-
Other reclassifications	-	-
Non-current assets and disposal groups held for sale	-	-
Other recognized income and expenses	-	-
Income tax related to items that can be reclassified to income (Note 31)	22,633	56,410
TOTAL RECOGNIZED INCOME AND EXPENSE	**(122,620)**	**(208,183)**

The accompanying Notes 1 to 36 are an integral part of the consolidated statement of changes in equity as of December 31, 2024.
(*) Presented solely and exclusively for comparative purposes.

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated statement of changes in equity for the year ended December 31, 2024.
(Expressed in thousands of euros)

B) CONSOLIDATED STATEMENTS OF CHANGES IN TOTAL SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024

	SHAREHOLDERS' EQUITY								Accumulated other comprehensive income	TOTAL SHAREHOLDERS' EQUITY
	Capital	Share premium	Retained earnings	Other equity instruments	Less: Treasury securities	Profit for the year	Less: interim dividend	Total shareholders' equity		
1. Ending balance at (12/31/2023)	**182,191**	**210,827**	**193,819**	**-**	**-**	**(76,490)**	**-**	**510,347**	**148,693**	**659,040**
Effects of the correction of errors	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Adjusted opening balance	**182,191**	**210,827**	**193,819**	**-**	**-**	**(76,490)**	**-**	**510,347**	**148,693**	**659,040**
Total recognized income and expenses	-	-	-	-	-	**(69,809)**	-	**(69,809)**	**(52,811)**	**(122,620)**
4. Other changes in shareholders' equity	**45,247**	**36,753**	**(82,397)**	**-**	**-**	**76,490**	**-**	**76,092**	**-**	**76,093**
4.1 Capital increases	45,247	36,753	-	-	-	-	-	82,000	-	82,000
4.2 Capital reductions	-	-	-	-	-	-	-	-	-	-
4.3 Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
4.4 Increase in other equity instruments	-	-	-	-	-	-	-	-	-	-
4.5 Reclassification of financial liabilities to other equity instruments	-	-	-	-	-	-	-	-	-	-
4.6 Reclassification of other equity instruments to financial liabilities	-	-	-	-	-	-	-	-	-	-
4.7 Dividend distribution	-	-	-	-	-	-	-	-	-	-
4.8 Transactions with equity instruments (net)	-	-	-	-	-	-	-	-	-	-
4.9 Transfers between equity items	-	-	(76,490)	-	-	76,490	-	-	-	-
4.10 Increases (reductions) due to business combinations	-	-	-	-	-	-	-	-	-	-
4.11 Payments with equity instruments	-	-	-	-	-	-	-	-	-	-
4.12 Other increases (decreases) in equity	-	-	(5,907)	-	-	-	-	(5,907)	-	(5,907)
4.13 Translation differences	-	-	-	-	-	-	-	-	-	-
5. Ending balance as of (12/31/2024)	**227,438**	**247,580**	**111,422**	**-**	**-**	**(69,809)**	**-**	**516,631**	**95,882**	**612,513**

The accompanying Notes 1 to 36 are an integral part of the statement of changes in equity as of December 31, 2024.
(*) Presented solely and exclusively for comparative purposes.

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated statement of changes in equity for the year ended December 31, 2024.
(Expressed in thousands of euros)

	SHAREHOLDERS' EQUITY								Accumulated other comprehensive income	TOTAL SHAREHOLDERS' EQUITY
	Capital	Share premium	Retained earnings	Other equity instruments	Less: Treasury securities	Profit for the year	Less: interim dividend	Total Shareholders' Equity		
1. Ending balance at (12/31/2022) (*)	**153,803**	**151,215**	**257,477**	**-**	**-**	**(55,011)**	**-**	**507,484**	**280,386**	**787,870**
Effects of the correction of errors	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Adjusted opening balance	**153,803**	**151,215**	**257,477**	**-**	**-**	**(55,011)**	**-**	**507,484**	**280,386**	**787,870**
Total recognized income and expenses	-	-	-	-	-	**(76,490)**	-	**(76,490)**	**(131,693)**	**(208,183)**
4. Other changes in shareholders' equity	**28,388**	**59,612**	**(63,658)**	**-**	**-**	**55,011**	**-**	**79,353**	**-**	**79,353**
4.1 Capital increases	28,388	59,612	-	-	-	-	-	88,000	-	88,000
4.2 Capital reductions	-	-	-	-	-	-	-	-	-	-
4.3 Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
4.4 Increase in other equity instruments	-	-	-	-	-	-	-	-	-	-
4.5 Reclassification of financial liabilities to other equity instruments	-	-	-	-	-	-	-	-	-	-
4.6 Reclassification of other equity instruments to financial liabilities	-	-	-	-	-	-	-	-	-	-
4.7 Dividend distribution	-	-	-	-	-	-	-	-	-	-
4.8 Transactions with equity instruments (net)	-	-	-	-	-	-	-	-	-	-
4.9 Transfers between equity items	-	-	(55.011)	-	-	55.011	-	-	-	-
4.10 Increases (decreases) from business combinations	-	-	-	-	-	-	-	-	-	-
4.11 Payments with equity instruments	-	-	-	-	-	-	-	-	-	-
4.12 Other increases (decreases) in equity	-	-	(8,647)	-	-	-	-	(8,647)	-	(8,647)
4.13 Translation differences										
5. Saldo final al (31/12/2023) (*)	**182.191**	**210.827**	**193.819**	**-**	**-**	**(76.490)**	**-**	**510.347**	**148.693**	**659.040**

The accompanying Notes 1 to 36 are an integral part of the statement of changes in equity as of December 31, 2024.
(*) Presented solely and exclusively for comparative purposes.

UCI S.A. and Subsidiaries (UCI GROUP)
Consolidated Statements of Cash Flows for the year ended December 31, 2024
(Expressed in thousands of euros)

	2024	2023
A. CASH FLOW FROM OPERATING ACTIVITIES	**(213,001)**	**(195,080)**
Consolidated net income for the year	**3,507**	**(76,490)**
Adjustments to income to obtain cash flows from operating activities	**5,361**	**11,094**
Amortization	(1,854)	4,787
Other adjustments	433,660	6,307
Net increase/decrease in operating assets	-	**530,944**
Financial assets held for trading	-	-
Financial assets designated at fair value through profit or loss	-	-
Available-for-sale financial assets	436,973	-
Financial assets at amortized cost	(3,313)	541,791
Other assets	(580,359)	(10,847)
Net increase/decrease in operating liabilities	-	**(660,628)**
Financial liabilities held for trading	(578,388)	-
Financial liabilities at amortized cost	(1,972)	(656,264)
Other operating liabilities	-	(4,364)
Income tax receivable/payable	**80,676**	-
B. CASH FLOWS FROM INVESTING ACTIVITIES	**(4,087)**	**47,048**
Payments	**(1,699)**	**(6,139)**
Property, plant and equipment	(2,388)	(3,126)
Intangible assets	-	(3,013)
Shareholdings	-	-
Non-current assets and associated liabilities held for sale	84,763	-
Receivables	8,019	53,187
Property, plant and equipment	76,744	8,860
Non-current assets and associated liabilities held for sale	76,369	44,327
C. CASH FLOWS FROM FINANCING ACTIVITIES	**(5,631)**	**79,680**
Payments		**(8,320)**
Subordinated liabilities		
Payment for dividends and other liability remuneration	82,000	(8,320)
Collections	-	**88,000**
Subordinated Liabilities	-	-
Issuance of equity instruments		
Other receivables related to financing activities	-	**88,000**
D. EFFECT OF EXCHANGE RATE FLUCTUATIONS	**(55,956)**	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**203,724**	**(68,352)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**147,768**	**272,076**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	-	**203,724**
PRO-MEMORANDUM:	-	-
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	-	-
Cash	-	**3**
Cash equivalent balances at central banks	**147,768**	-
Other financial assets	**147,768**	**203,721**
Total, cash and cash equivalents at end of period	**147.768**	**203,724**

The accompanying Notes 1 to 36 are an integral part of the statement of cash flows as of December 31, 2024.
(*) Presented solely and exclusively for comparative purposes.

01

Activity of the company

UCI, S.A. is the Parent Company of a Group of Investees comprising UCI, S.A. and its Investees (hereinafter the UCI Group). UCI, S.A. was incorporated for an indefinite period of time in 1988 and has been registered in the Mercantile Registry since that year. Its registered office and tax domicile is at calle Retama nº 3, Madrid, and it is registered in the Madrid Mercantile Register in volume 4075, folio 169, section 8, page number M-67799, entry 29.

The Group's main activity is the granting of mortgage loans. Its corporate purpose also enables it to carry on the activities of a financial credit institution through the subsidiary Unión de Créditos Inmobiliarios S.A., E.F.C.

During 1999 and 2004, the Group opened a Branch in Portugal and Greece, respectively, for the distribution of mortgage loans to individuals. The production in Greece was stopped in the last quarter of fiscal year 2011 and was closed at the end of the first quarter of 2019, reassigning its assets to the parent company. The rest of the activity is on national territory.

The Parent Company is obliged to prepare, in addition to its own individual annual accounts, which are also subject to mandatory audit, consolidated annual accounts for the Group, which include, if applicable, the corresponding shareholdings in Subsidiaries. The individual and consolidated financial statements have been prepared as of March 28, 2025 and are expected to be approved without changes by the shareholders at the General Shareholders' Meeting. The entities comprising the Group are engaged in credit financing activities.

As of December 31, 2024 and 2023, the total assets, equity and results for the year of the subsidiary UNIÓN DE CREDITOS INMOBILIARIOS S.A. E.F.C. (hereinafter, UCI EFC) represent practically all of the same items of the Group.

The following is a summary of the individual balance sheet, the individual income statement, the individual statement of recognized income and expense, the individual statement of changes in equity and the individual cash flow statement of the aforementioned Subsidiary Company for the years ended December 31, 2024 and 2023, prepared in accordance with the same accounting principles and rules and valuation criteria applied in these consolidated financial statements of the Group.

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL BALANCE SHEETS AT DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

ASSETS	2024	2023	LIABILITIES AND SHAREHOLDERS' EQUITY	2024	2023
Cash, cash balances with central banks and other demand deposits	**47,379**	**56,953**	**Financial liabilities held for trading**	**11,311**	**17,939**
Cash	-	2	Derivatives	11,311	17,939
Other demand deposits	47,379	56,951	Short positions	-	-
			Deposits	-	-
Financial assets held for trading	-	-			
Derivatives held for trading	-	-	**Financial liabilities designated at fair value through profit or loss**	-	-
Equity instruments	-	-	Deposits	-	-
Debt securities	-	-	Debt securities issued	-	-
Loans and advances	-	-	Other financial liabilities	-	-
			Financial liabilities at amortized cost	**8,915,503**	**9,427,530**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**107,285**	**125,357**	Deposits	**8,886,397**	**9,395,250**
Equity instruments	-	-	Central banks	-	-
Debt securities	-	-	Credit institutions	6,792,896	6,917,657
Loans and advances to customers	107,285	125,357	Clientele	2,093,501	2,477,593
Financial assets designated at fair value through profit and loss	-	-	Debt securities	-	-
Equity instruments	-	-	Other financial liabilities	**29,106**	**32,280**
Debt securities	-	-	Derivatives - hedge accounting	**74,825**	**82,459**
Loans and advances	-	-			
Financial assets designated at fair value through other comprehensive income:	-	-	**Provisions**	**23,740**	**20,204**
Equity instruments	-	-	Pensions and other post-employment defined benefit obligations	-	1,881
Debt securities	-	-	Other long-term employee benefits	-	-
Loans and advances to customers	-	-	Litigation and litigation for pending taxes	-	-
			Commitments and guarantees granted	-	-
Financial assets at amortized cost	**9,131,989**	**9,626,291**	Remaining provisions	23,740	18,323
Debt securities	40,048	228,139			
Credit institutions	248,656	-			
Loans and advances to customers	8,843,285	9,398,152	**Tax liabilities**	**43,024**	**65,163**
Hedging derivatives	**173,695**	**242,441**	Current tax liabilities	1,504	1,075
			Deferred tax liabilities	41,520	64,088
Changes in the fair value of hedged items in a portfolio with interest rate risk hedge	-	-	**Other liabilities**	**21,238**	**23,363**
Investments in joint ventures and associates	-	-	**Liabilities included in disposal groups of items classified as held for sale**	-	

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL
BALANCE SHEETS AT DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

ASSETS	2024	2023	LIABILITIES AND SHAREHOLDERS' EQUITY	2024	2023
Tangible assets	**155,024**	**159,578**	**TOTAL LIABILITIES**	**9,089,641**	**9,636,658**
Property, plant and equipment	20,539	24,346	**NET EQUITY**		
Real estate investments	134,485	135,231	**Shareholders' equity**	**642,808**	**677,670**
Of which: Transferred under operating leases	-	-	Capital	89,320	85,534
Intangible assets	**4,577**	**3,873**	Disbursed	89,320	85,534
Goodwill	-	-	Share premium	440,960	414,746
Other intangible assets	4,577	3,873	Issued equity instruments other than capital	-	-
			Other equity instruments	-	-
Tax assets	**59,495**	**65,628**	Retained earnings	-	-
Current tax assets	25	29	Other reserves	177,390	247,214
Deferred tax assets	59,470	65,599	Income for the year	(64,862)	(69,824)
			Less: Interim dividends	-	-
Other assets	**37,210**	**33,620**			
Insurance contracts linked to pensions	-	-	**Accumulated other comprehensive income**	**96,879**	**149,538**
Inventories	-	-	Items that will not be reclassified to profit or loss		
Other assets	37,210	**33,620**	Items that may be reclassified to profit or loss	96,879	149,538
Non-current assets held for sale	**112,674**	**150,125**	Hedging of net investments in foreign operations	-	-
TOTAL ASSETS	**9,829,328**	**10,463,866**	Foreign currency translation	-	-
MEMORANDUM ITEM: OFF-BALANCE-SHEET ITEMS	**47,645**	**40,641**	Hedging derivatives. Cash flow hedge reserve	96,879	149,538
Loan commitments granted	45,710	38,706	**Changes in fair value of debt instruments measured at fair value through other comprehensive income**	-	-
Financial guarantees granted	-	-	**TOTAL EQUITY**	**739,687**	**827,208**
Other commitments granted	1,935	1,935	**TOTAL EQUITY AND LIABILITIES**	**9,829,328**	**10,463,866**

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL
PROFIT AND LOSS ACCOUNTS AT DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

	2024	2023
Interest income	**594,730**	**543,670**
Financial assets at amortized cost	340,076	322,822
Derivatives - hedge accounting, interest rate risk	251,238	218,491
Other assets	3,416	2,357
(Interest expense)	**(554,127)**	**(492,268)**
NET INTEREST INCOME	**40,603**	**51,402**
Dividend income	-	-
Commission income	9,008	7,589
(Commission expenses)	(11,194)	(9,787)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	-	111
Gains or (-) losses on financial assets and liabilities held for trading, net	-	24,599
Gains or (-) losses on financial assets not held for trading mandatorily measured at fair value through profit or loss, net	(220)	862
Gains or (-) losses resulting from hedge accounting, net	416	(5,314)
Other operating income	4,929	3,999
Other operating expenses	-	-
GROSS INCOME	**43,542**	**73,462**
Administrative expenses	**(77,601)**	**(85,754)**
Personnel expenses	(31,834)	(37,474)
Other general administrative expenses	(45,767)	(48,280)
Amortization	**(5,054)**	**(4,539)**
(Provisions) or reversal of provisions	**(11,447)**	**(3,778)**
(Impairment) or reversal of impairment of financial assets not measured at fair value through profit or loss	**(11,918)**	**(68,675)**
Financial assets at amortized cost	(11,918)	(68,675)
INCOME FROM OPERATING ACTIVITIES	**(62,478)**	**(89,284)**
(Impairment) loss or reversal of impairment of non-financial assets	**1,953**	**229**
Tangible assets	-	229
Real estate investments	1,953	-
Intangible assets	-	-
Gains or (-) losses on derecognition of non-financial assets, net	-	-
Gains or (-) losses from non-current assets and disposable groups of items classified as held for sale not eligible for discontinued operations	**3,182**	**13,634**
INCOME BEFORE TAXES	**(57,342)**	**(75,422)**
(Income tax (expense) or income tax on income from continuing operations	(7,520)	5,598
INCOME FOR THE YEAR FROM CONTINUING OPERATIONS	**(64,862)**	**(69,824)**
Profit (loss) after taxes from discontinued operations	-	-
PROFIT (LOSS) FOR THE YEAR	**(64,862)**	**(69,824)**

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIETO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL STATEMENTS OF RECOGNIZED INCOME AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
Expressed in thousands of euros)

	2024	20223
PROFIT FOR THE YEAR	**(64,862)**	**(69,824)**
OTHER COMPREHENSIVE INCOME	**(52,659)**	**(129,808)**
ITEMS NOT TO BE RECLASSIFIED TO PROFIT OR LOSS	-	-
Actuarial gains (losses) on defined benefit pension plans	-	-
Non-current assets and disposable groups of items held for sale	-	-
Changes in fair value of equity instruments measured at fair value with changes in other comprehensive income, net	-	-
Gains (losses) from hedge accounting of equity instruments at fair value with changes in other comprehensive income, net	-	-
Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in credit risk	-	-
Other valuation adjustments	-	-
Income tax relating to items that will not be reclassified	-	-
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	**(52,659)**	**(129,808)**
Hedging of net investments in foreign operations (effective portion)	-	-
Currency conversion	-	-
Cash flow hedges (effective portion)	**(75,227)**	**(185,440)**
Gains (losses) in value recorded in shareholders' equity	16,848	(220,581)
Transferred to income	(92,076)	35,141
Transferred to the initial carrying amount of hedged items	-	-
Other reclassifications	-	-
Debt instruments at fair value with changes in other comprehensive income	-	-
Impairment gains (losses) recognized in equity	-	-
Transferred to income	-	-
Other reclassifications	-	-
Non-current assets and disposal groups held for sale	-	-
Income tax on items that can be reclassified to profit or loss	**22,568**	**55,632**
TOTAL RECOGNIZED INCOME AND EXPENSE	**(117,521)**	**(199,632)**

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL STATEMENTS OF CHANGES IN TOTAL SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2002 DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

	SHAREHOLDERS' EQUITY								Accumulated other comprehensive income	TOTAL SHAREHOLDERS' EQUITY
	Capital	Share premium	Reserves	Other equity instruments	Less: Treasury stock	Profit for the year	Less: interim dividend	Total shareholders' equity		
Ending balance at (12/31/2023)	**85,534**	**414,746**	**247,214**	-	-	**(69,824)**	-	**677,670**	**149,538**	**827,208**
Effects of the correction of errors	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Adjusted opening balance	**85,534**	**414,746**	**247,214**	-	-	**(69,824)**	-	**677,670**	**149,538**	**827,208**
Total recognized income and expenses	-	-	-	-	-	**(64,862)**	-	**(64,862)**	**(52,659)**	**(117,521)**
4. Other changes in shareholders' equity	**3,786**	**26,214**	(69,824)	-	-	**69,824**	-	**30,000**	-	**30,000**
4.1 Capital increases	3,786	26,214	-	-	-	-	-	30,000	-	30,000
4.2 Capital reductions	-	-	-	-	-	-	-	-	-	-
4.3 Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
4.4 Increase in other equity instruments	-	-	-	-	-	-	-	-	-	-
4.5 Reclassification of financial liabilities to other equity instruments	-	-	-	-	-	-	-	-	-	-
4.6 Reclassification of other equity instruments to financial liabilities	-	-	-	-	-	-	-	-	-	-
4.7 Dividend distribution	-	-	-	-	-	-	-	-	-	-
4.8 Transactions with equity instruments (net)	-	-	-	-	-	-	-	-	-	-
4.9 Transfers between equity items	-	-	(69.824)	-	-	69.824	-	-	-	-
4.10 Increases (decreases) due to business combinations	-	-	-	-	-	-	-	-	-	-
4.11 Payments with equity instruments	-	-	-	-	-	-	-	-	-	-
4.12 Other increases (reductions) in shareholders' equity	-	-	-	-	-	-	-	-	-	-
5. Closing balance as of (12/31/2024)	**89,320**	**440,960**	**177,390**	-	-	**(64,862)**	-	**642,808**	**96,879**	**739,687**

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL STATEMENTS OF CHANGES IN TOTAL SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2002 DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

	OWN FUNDS								Accumulated other comprehensive income	TOTAL SHAREHOLDERS' EQUITY
	Capital	Share premium	Reserves	Other equity instruments	Less: Treasury stock	Profit for the year	Less: interim dividend	Total shareholders' equity		
1. Ending balance at (12/31/2022)	**85,534**	**414,746**	**300,011**	**-**	**-**	**(52,796)**	**-**	**747,494**	**279,346**	**1,026,841**
Effects of the correction of errors	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Adjusted opening balance	**85,534**	**414,746**	**300,011**	**-**	**-**	**(52,796)**	**-**	**747,494**	**279,346**	**1,026,841**
Total recognized revenues and expenses	-	-	-	-	-	**(69,824)**	-	**(69,824)**	**(129,808)**	**(199,632)**
4. Other changes in shareholders' equity	-	-	**(52,796)**	-	-	**52,796**	-	-	-	-
4.1 Capital increases	-	-	-	-	-	-	-	-	-	-
4.2 Capital reductions	-	-	-	-	-	-	-	-	-	-
4.3 Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
4.4 Increase in other equity instruments	-	-	-	-	-	-	-	-	-	-
4.5 Reclassification of financial liabilities to other equity instruments	-	-	-	-	-	-	-	-	-	-
4.6 Reclassification of other equity instruments to financial liabilities	-	-	-	-	-	-	-	-	-	-
4.7 Dividend distribution	-	-	-	-	-	-	-	-	-	-
4.8 Transactions with equity instruments (net)	-	-	-	-	-	-	-	-	-	-
4.9 Transfers between equity items	-	-	(52.796)	-	-	52.796	-	-	-	-
	-	-	(52,796)	-	-	52,796	-	-	-	-
4.10 Increases (decreases) from business combinations	-	-	-	-	-	-	-	-	-	-
4.11 Payments with equity instruments	-	-	-	-	-	-	-	-	-	-
4.12 Other increases (reductions) in shareholders' equity	-	-	-	-	-	-	-	-	-	-
5. Ending balance at (12/31/2023)	**85,534**	**414,746**	**247,214**	**-**	**-**	**(69,824)**	**-**	**677,670**	**149,538**	**827,208**

U.C.I., S.A. and Subsidiaries (UCI GROUP)
Consolidated Financial Statements for the year ended December 31, 2024

UNION DE CREDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO SOCIEDAD UNIPERSONAL
CASH FLOW STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of euros)

	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES	**(119,092)**	**(57,101)**
Profit for the year	**(64,862)**	**(69,824)**
Adjustments to income	**(1,206)**	**8,676**
Amortization	5,054	4,539
Other adjustments	(6,259)	4,137
Net increase/decrease in operating assets	**460,166**	**558,221**
Trading portfolio	-	-
Financial assets at fair value through profit or loss	-	6,764
Financial assets designated at fair value with changes in other comprehensive income	-	-
Financial assets at amortized cost	439,182	562,983
Other assets	20,983	(11,526)
Net increase/decrease in operating liabilities	**(513,190)**	**(554,174)**
Trading portfolio	-	-
Financial liabilities at amortized cost	(512,027)	(546,252)
Other operating liabilities	(1,163)	(7,922)
Income tax receivables/payments0	-	-
CASH FLOWS FROM INVESTING ACTIVITIES	**68,306**	**46,051**
Payments	(2,924)	(5,154)
Property, plant and equipment	(1,100)	(2,583)
Intangible assets	(1,824)	(2,570)
Non-current assets and associated liabilities held for sale	-	-
Collections	71,230	51,205
Property, plant and equipment	-	8,483
Intangible assets	-	-
Non-current assets and associated liabilities held for sale	71,230	42,722
CASH FLOWS FROM FINANCING ACTIVITIES	**41,212**	-
Payments	-	-
Dividends	-	-
Collections	41,212	
Issuance of own equity instruments	11,212	-
Other collections related to financing activities	30,000	-
EFFECT OF EXCHANGE RATE FLUCTUATIONS	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	-	-
F, CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**(9,574)**	**(11,050)**
G, CASH AND CASH EQUIVALENTS AT END OF PERIOD	**56,953**	**68,003**
PRO-MEM:	**47,379**	**56,953**
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	-	-
Cash	-	-
Cash equivalent balances at central banks	-	-
Other demand deposits	-	-
Total cash and cash equivalents at end of period	47,379	56,953

02

Basis of presentation of the consolidated financial statements and consolidation principles

2.1. Basis of presentation of the consolidated financial statements

On January 1, 2020, Bank of Spain Circular 4/2019 of November 26, 2009, on public and confidential financial reporting standards and financial statement formats, came into force for credit financial institutions . This Circular takes as a reference the accounting regulations of credit institutions well setting criteria analogous to those of the latter, referring directly to the rules of Circular 4/2017, of November 27. The differences in the nature, scale and complexity of the activities of the establishments with respect to credit institutions result in a simplified regime of financial statement requirements. These regulations include the requirements of the national accounting regulations with the International Financial Reporting Standards adopted by the European Union (IFRS-EU) and, in particular, the criteria of IFRS-EU 9, on financial instruments, including the expected loss approach for the estimation of credit risk hedges, are incorporated into the accounting regulations of credit financial institutions.

The Circular constitutes the adaptation to the Spanish credit institution sector of the International Financial Reporting Standards, adopted by the European Union by means of Community Regulations, in accordance with Regulation 1606/2002 of the European Parliament and of the Council, of July 19, 2002, on the application of International Accounting Standards.

Consequently, the consolidated financial statements of the Group have been prepared by the Directors in accordance with the accounting models and criteria established in Bank of Spain Circular 4/2019, of November 27, 2009, so that they give a true and fair view of the consolidated equity and consolidated financial position at December 31, 2024 and of the consolidated results of operations and changes in consolidated equity and cash flows of the Group for the year then ended.

The consolidated financial statements for the year 2024 have been prepared by the Directors at the Board of Directors' meeting held on March 28, 2025. The Group's consolidated financial statements and the financial statements of the Group's subsidiaries for 2024 will be submitted for approval by the General Shareholders' Meeting to be held during the first half of 2025. However, the Board of Directors of the Parent Company of the Group considers that these consolidated financial statements will be approved without changes.

The consolidated financial statements for the 2023 financial year were prepared by the Directors at the Board of Directors' meeting held on March 25, 2024, which were approved by the General Shareholders' Meeting held on June 27, 2024.

Consequently, the financial reporting framework applicable to the Group and used in the preparation of these consolidated financial statements is that set forth in the following:

1. The Commercial Code and other mercantile legislation.

2. Bank of Spain Circular 4/2019 of December 22, 2009, on public and confidential information standards and models of financial statements of credit institutions.

3. The mandatory rules approved by the Instituto de Contabilidad y Auditoría de Cuentas (Accounting and Auditing Institute) and other mercantile legislation.

4. All other applicable accounting regulations.

The Group's financial statements have been prepared on the basis of the Group's accounting records and taking into account all the mandatory accounting principles and standards and valuation criteria that have a significant effect on them, so that they present fairly the Group's equity and financial position as of December 31, 2024 and the results of its operations, the income and expenses recognized, of the changes in equity and cash flows that have occurred in the year then ended.

The main accounting principles and valuation criteria applied in the preparation of the consolidated financial statements for the year 2024 are indicated in Note 11. There are no accounting principles or valuation criteria that, having a significant effect on these financial statements, have not been applied in their preparation.

The notes to the financial statements contain additional information to that presented in the balance sheet, income statement, statement of changes in equity and cash flow statement. They provide narrative descriptions or disaggregation of such statements in a clear, relevant, reliable and comparable manner.

Main regulatory changes in the period from January 1 to December 31, 2024, not previously discussed

The following is a summary of the main Bank of Spain Circulars applicable, issued and which came into force in the 2024 financial year:

Bank of Spain Circular 1/2024, dated January 26, to banks, credit cooperatives and other supervised entities, regarding information on capital structure and amending Circular 1/2009, dated December 18, to credit institutions and other supervised entities, regarding information on the capital structure and equity quotas of credit institutions, and on their branches. There has been no equity impact derived from the application of this standard.

Below is a summary of the main applicable Bank of Spain Circulars issued and which came into force in the 2023 financial year:

Bank of Spain Circular 3/2023, of October 31, amending Circular 2/2016, of February 2, 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, and Circular 1/2022, of January 24, to financial credit establishments, on liquidity, prudential rules and reporting obligations (BOE of November 14, 2023).

Circular 2/2023, of March 17, which amends Circular 1/2013, of May 24, on the Central Credit Register (BOE of March 25, 2023).

Circular 1/2023, of February 24, of the Bank of Spain, to credit institutions, branches in Spain of credit institutions authorized in another Member State of the European Union and financial credit establishments, on the information to be sent to the Bank of Spain on covered bonds and other loan mobilization instruments, and amending Circular 4/2017, of 27 November, to credit institutions, on public and reserved financial information standards and financial statement models, and Circular 4/2019, of 26 November, to credit financial establishments, on public and reserved financial information standards and financial statement models. (BOE of March 2, 2023).

Below is a summary of the main Bank of Spain Circulars applicable, which will come into force in 2025:

During the 2025 financial year, no relevant regulations impacting the company's financial reporting framework are expected to come into force.

Comparison of information

The balances of the previous year are presented solely and exclusively for comparative purposes, with each of the items of the balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements, relating to the 2024 financial year.

2.2. Management and impact of the macroeconomic environment

In 2024, the Group's management was influenced by an economic environment marked by moderating inflation and stabilizing interest rates. However, uncertainty persisted due to geopolitical tensions in Europe and the Middle East, as well as volatility in the financial markets. In addition, the evolution of the CPI and the conditions of access to financing continued to condition activity.

The year 2023 was characterized by a sharp increase in interest rates, which began at the end of 2022, and by the persistence of the military conflict in Ukraine. Despite the continuation of the war, the consumer price index was brought under control by the end of the year. As a result, although central bank rates remained at 4.5%, the Euribor, as the market anticipated a possible rate cut.

The Group includes the behavior of the CPI within the inputs used in its provisioning model, as it is part of the econometric model that estimates the Probability of Default. Specifically, quantitative information is provided in relation to the rates used for this variable in note 13.

2.3. Consolidation principles

Subsidiaries

Subsidiaries are considered to be entities over which the Group has control; control is generally, but not exclusively, evidenced by direct or indirect ownership of at least 50% of the voting rights of the investees or, even if this percentage is lower or zero, if, for example, there are agreements with shareholders of the investees that give the Group such control. Control is understood as the power to direct the financial and operating policies of an entity in order to obtain benefits from its activities.

An entity controls an investee when it is exposed, or has the right, to variable returns from its involvement with the investee and has the ability to influence those returns through the power it exercises over the investee. For control to be considered to exist, the following must be present:

a) Power: An investor has power over an investee when the former has rights in force that provide it with the ability to direct the relevant activities, i.e. those that significantly affect the returns of the investee.

b) Returns: An investor is exposed, or entitled, to variable returns from its involvement in the investee when the returns to the investor from such involvement may vary depending on the economic performance of the investee. The investor's returns may be only positive, only negative or both positive and negative.

c) Relationship between power and returns: An investor controls an investee if the investor not only has power over the investee and is exposed, or entitled, to variable returns from its involvement in the investee, but also the ability to use its power to influence the returns it obtains from its involvement in the investee.

The financial statements of the subsidiaries are consolidated with those of the Group using the full consolidation method. Consequently, all significant balances and transactions between consolidated companies and between these companies and the Group are eliminated in the consolidation process.

When a subsidiary is acquired, its assets, liabilities and contingent liabilities are recorded at their fair values at the date of acquisition. Positive differences between the acquisition cost and the fair values of the identifiable net assets acquired are recognized as goodwill. Negative differences are charged to income at the acquisition date.

In addition, the interest of minority shareholders in the Group's equity is presented under "Minority interests" in the consolidated balance sheet. Their share in the profit or loss for the year is presented under "Profit attributable to minority interests" in the consolidated income statement.

The results generated by the companies acquired in a given year are consolidated taking into consideration only those relating to the period from the date of acquisition to the end of that year. At the same time, the consolidation of the results generated by the companies disposed of in a fiscal year is carried out taking into consideration only those relating to the period between the beginning of the fiscal year and the date of disposal.

Securitization funds in which an exposure has been retained in the form of subordinated financing have been fully consolidated in order to provide greater information, although control is not held over them, and there may be other accounting alternatives for their presentation.

Associated companies

Associates are entities over which the Group has significant influence but not control or joint control. Significant influence is presumed to exist when the Group owns, directly or indirectly, 20% or more of the voting rights of the investee, unless it can be clearly demonstrated that such influence does not exist.

In the consolidated financial statements, associates are accounted for by the equity method, i.e. at the proportion of their net assets represented by the Group's interest in their capital, after taking into account the dividends received from them and other equity eliminations. In the case of transactions with an associated entity, the related gains or losses are eliminated in the Group's percentage of its equity.

Structured entities

In those cases in which the Group constitutes entities, or participates in them, in order to allow its customers access to certain investments, or for the transfer of risks or other purposes, also known as structured entities, since voting rights or similar are not the decisive factor in deciding who controls the entity, it is determined, in accordance with internal criteria and procedures and considering the provisions of the relevant regulations, whether control exists, as described above, and therefore whether or not they should be subject to consolidation. Specifically, for those entities in which it is applicable (mainly mutual funds and pension funds), the Group analyzes the following factors:

- Percentage of ownership held by the Group, with 20% generally established as the threshold.

- Identification of the fund manager, verifying whether it is a company controlled by the Group, since this aspect could affect the ability to direct the relevant activities.

- Existence of agreements and/or covenants between investors that may lead to decision-making requiring their joint participation, in which case the fund manager is not the decision-maker. - Existence of currently exercisable exclusion rights (possibility of removing the manager from his position) since the existence of these rights may be a limitation to the manager's power over the fund, concluding that the manager acts as an agent of the investors.

- Analysis of the fund manager's compensation regime, considering that a compensation regime commensurate with the service provided does not generally create an exposure of such significance as to indicate that the manager is acting as principal. Conversely, if the compensation is not commensurate with the service provided it could result in such an exposure that would lead the Group to a different conclusion.

Structured entities also include so-called asset-backed securitization funds, which are consolidated in those cases where, being exposed to variable returns, it is determined that the Group has retained control. The exposure associated with non-consolidated structured entities is not significant in relation to the Group's consolidated financial statements.

The following table presents, among other information, the structured entities (Asset Securitization Funds) that are subject to consolidation in these consolidated financial statements as of December 31, 2024:

Entity	Country	Activity
Mortgage Securitization Fund UCI 12	Spain	Securitization
Asset Securitization Fund UCI 14	Spain	Securitization
Asset Securitization Fund UCI 15	Spain	Securitization
Asset Securitization Fund UCI 16	Spain	Securitization
Asset Securitization Fund UCI 17	Spain	Securitization
Securitization Fund, RMBS Prado VII	Spain	Securitization
Securitization Fund, RMBS Prado VIII	Spain	Securitization
Securitization Fund, RMBS Prado IX	Spain	Securitization
Securitization Fund, RMBS Prado X	Spain	Securitization
Securitization Fund, RMBS Green Prado XI	Spain	Securitization
RMBS Green Belem No.1	Portugal	Securitization
RMBS Belem No. 2	Portugal	Securitization

The following table presents, among other information, the structured entities (Asset Securitization Funds) that are subject to consolidation in these consolidated financial statements as of December 31, 2023:

Entity	Country	Activity
Asset Securitization Fund UCI 11	Spain	Securitization
Mortgage Securitization Fund UCI 12	Spain	Securitization
Asset Securitization Fund UCI 14	Spain	Securitization
Asset Securitization Fund UCI 15	Spain	Securitization
Asset Securitization Fund UCI 16	Spain	Securitization
Asset Securitization Fund UCI 17	Spain	Securitization
Securitization Fund, RMBS Prado VII	Spain	Securitization
Securitization Fund, RMBS Prado VIII	Spain	Securitization
Securitization Fund, RMBS Prado IX	Spain	Securitization
Securitization Fund, RMBS Prado X	Spain	Securitization
Securitization Fund, RMBS Green Prado XI	Spain	Securitization
RMBS Green Belem No.1	Portugal	Securitization
RMBS Belem No. 2	Portugal	Securitization

Relevant information on the holdings of the Group Entities as of December 31, 2024 and 2023 is as follows:

NAME AND DOMICILE	CAPITAL SHAREHOLDERS' EQUITY 2024 (in thousands of euros)	CAPITAL SHAREHOLDERS' EQUITY 2023 (in thousands of euros)	PERCENTAGE OF OWNERSHIP	ACTIVITY
UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A. ESTABLECIMIENTO FINANCIERO DE CREDITO Sociedad Unipersonal C/ RETAMA 3 – MADRID	89,320	85,534	100%	Real estate financing loans
UCI SERVICIO PARA PROFESIORES INMOBILIARIOS, S.A. (antes COMPRARCASA SERVICIOS INMOBILIARIOS, S.A. Sociedad Unipersonal) C/ RETAMA 3 – MADRID	635	635	100%	Provision of all types of services related to the real estate/ IT market.
RETAMA REAL ESTATE (antes U.C.I. SERVICIOS INMOBILIARIOS Y PROFESIONALES, S.L. Sociedad Unipersonal) C/ RETAMA 3 – MADRID	2,578	2,578	100%	Advice, management, direction and assistance to companies, as well as the acquisition and sale of real estate.
ComprarCasa, Rede de Serviços Imobiliários, SA	275	275	99,9%	Development of IT activities and services related to the real estate sector, both through the Internet and other technologies.
UCI–Mediação de Seguros Unipessoal Lda	5	5	100%	Insurance brokerage
UCI Holding Brasil Lda	1,494	1,494	100%	Holding company, holding shares Holds 50% of COMPANHIA PROMOTORA UCI
UCI Hellas Credit and Loan Receivables Servicing Company S.A.	100	100	100%	Management and servicing of loans granted by financial institutions.

The contribution to the Group's results of each of the Entities in 2024 was as follows:

UCI, SA	Unión de Créditos Inmobiliarios, S.A. EFC		ComprarCasa, Rede de Serviços Imobiliários, S.A.	UCI Services for real estate professionals S.A.	Retama Real Estate	UCI Insurance Brokerage	UCI Holding Ltda.	UCI Hellas Credit and Loan Receivables Servicing Company S.A.	**Total, Consolidated**
	Business in Spain	Business in Portugal and Greece							
(1,356)	(75,205)	10,118	(44)	(59)	(3,369)	-	(66)	172	(69,809)

The contribution to the Group's results of each of the Entities in 2023 was as follows:

UCI, SA	Unión de Créditos Inmobiliarios, S.A. EFC		ComprarCasa, Rede de Serviços Imobiliários, S.A.	UCI Services for real estate professionals S.A.	Retama Real Estate	UCI Insurance Brokerage	UCI Holding Ltda.	UCI Hellas Credit and Loan Receivables Servicing Company S.A.	**Total, Consolidated**
	Business in Spain	Business in Portugal and Greece							
(3,602)	(78,892)	9,156	(35)	(119)	(3,015)	1	(185)	200	**(76.490)**

In the consolidation process, the full consolidation procedure has been applied for the financial statements of the Subsidiaries. In this sense, the financial statements of the companies included in the Group's consolidation perimeter have been adapted to the valuation models, principles and standards used and the estimates made, in accordance with the regulatory framework for financial information contained in the regulations for credit financial institutions, without any significant adjustments having occurred as a result of this homogenization process.

Consequently, all significant balances and transactions between the consolidated entities have been eliminated in the consolidation process.

03

Accounting estimates

The information contained in these financial statements is the responsibility of the Parent Company's Directors, having used, where appropriate, estimates made by the Parent Company's Senior Management, subsequently ratified by its Directors, to determine the valuation of some of the assets, liabilities, income, expenses and commitments recorded therein.

These estimates relate mainly to:

- Impairment losses on certain assets (Notes 11 g, 11 q, 17 and 18).
- The useful life applied to tangible assets and intangible assets (Notes 11 m, 11 n, 19 and 20).
- The fair value of certain unlisted assets (Notes 11 d, 11 c, 24 and 25).
- Impairment losses on non-current assets held for sale and investment property (Notes 11 o, 11 q, 18 and 19).
- The valuation of the provisions required to cover legal contingencies (Notes 11 p and 26).
- The recoverability of deferred tax assets (Notes 11 k and 21).

Although the estimates described above have been made on the basis of the best information available at year-end 2024, it could be that events that may occur in the future make it necessary to modify them (upwards or downwards) in future years, which would be done in accordance with the provisions of Bank of Spain Circular 4/2019, prospectively, recognizing the effects of the change in estimate that, if applicable, could occur in the corresponding profit and loss account..

04

Distribution of results

The proposed distribution of the Parent Company's profit for the year 2024, which its Board of Directors will propose to the General Shareholders' Meeting for its approval, as well as the distribution of the profit for the year 2023 approved by the General Shareholders' Meeting, is as follows:

	Thousands of euros	
	2024	**2023**
Net income/(loss) for the year	(5,862)	(8,231)
Appropriation:		
To legal reserve	-	-
To voluntary reserve	-	-
To prior years' income	(5,862)	(8,231)
To Dividends	-	-

05

Minimum shareholders' equity

Until December 31, 2013, Bank of Spain Circular 3/2008 of May 22, updated by Circular 4/2011 to credit institutions, on the determination and control of minimum capital requirements, regulated the minimum capital requirements to be maintained by Spanish credit institutions - both individually and as a consolidated group - and the manner in which such capital must be determined.

On June 27, 2013, the new regulation on capital requirements (known as CRD IV) was published in the Official Journal of the European Union, with application as from January 1, 2014, consisting of:

Directive 2013/36/EU of 26 June 2013 of the European Parliament and of the Council on the taking up of the business of credit institutions and investment firms and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

EU Regulation No. 575/2013, of June 26, 2013, of the European Parliament and of the Council, on prudential requirements for credit institutions and investment firms, and amending EU Regulation No. 648/2012.

In Spain, the transposition of the new European regulations has been carried out in two stages. In the first stage, Royal Decree-Law 14/2013 of November 29, 2013, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions was published, which carried out a partial transposition into Spanish law of Directive 2013/36/EU and empowered the Bank of Spain, in its fifth final provision, to make use of the options attributed to the national competent authorities in EU Regulation No. 575/2013.

In use of the empowerment conferred by that royal decree-law, the Bank of Spain approved Circular 2/2014, of January 31, on the exercise of various regulatory options contained in Regulation (EU) No. 575/2013, which determined the national options chosen, both of a permanent and transitional nature, for application by credit institutions as from the entry into force of that regulation in January 2014. Subsequently, that circular was amended, as regards the treatment of the deduction of intangible assets during the transitional period, by Bank of Spain Circular 3/2014 of July 30.

In a second phase, Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions was enacted, which laid the foundations for a complete transposition of Directive 2013/36/EU. Subsequently, in February 2015, Royal Decree 84/2015, of February 13, was published, implementing Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions.

Subsequently, Circular 2/2016 was published on February 2, 2016 on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No. 575/2013 which has been amended by Circular 3/2022 of March 30.

All this constitutes the current regulations in force which regulate the minimum capital requirements to be maintained by Spanish credit institutions, both at individual and consolidated level, and the way in which such capital must be determined, as well as the different capital self-assessment processes to be carried out.

The Bank of Spain shall be responsible for the supervisory function of Credit Financial Establishments, in accordance with the provisions of Title III of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, with such adaptations as may be determined by regulation, as the case may be. This competence shall extend to any office or center, within or outside Spanish territory, and, to the extent that the fulfillment of the functions entrusted to the Bank of Spain so requires, to the companies that are integrated into the group of the Credit Financial Establishment.

On February 11, 2020, the new Royal Decree 309/2020, on the legal regime of credit financial establishments and amending, the Regulations of the Commercial Registry, approved by Royal Decree 1784/1996, of July 19, and Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, was approved and entered into force on July 1, 2020.

With respect to those financial credit institutions that have the status of SMEs, in accordance with the provisions of Commission Recommendation 2003/361/EC of May 6, 2003, on the definition of micro, small and medium-sized enterprises, the provisions in relation to the capital conservation and specific countercyclical capital buffers regulated in Articles 44 and 45 of Law 10/2014, of June 26, and its implementing regulations, shall not apply.

Commission Recommendation 2003/361/EC of May 6, 2003 on the definition of micro, small and medium-sized enterprises establishes the following in Article 2 of its Annex:

The category of micro, small and medium-sized enterprises (SMEs) consists of enterprises which employ fewer than 250 persons and whose annual turnover does not exceed EUR 50 million or whose annual balance sheet total does not exceed EUR 43 million.

In the SME category, a small enterprise is defined as an enterprise which employs less than 50 persons and whose annual turnover or annual balance sheet total does not exceed EUR 10 million.

In the SME category, a micro enterprise is defined as an enterprise which employs less than 10 persons and whose annual turnover or annual balance sheet total does not exceed EUR 2 million.

Therefore, at the end of 2024 and 2023, the Entity is subject to the solvency regime provided for credit institutions in Title II of Law 10/2014 of June 26 and Title II of Royal Decree 84/2015, with the exceptions indicated above, whose regulatory framework and for reporting purposes has been clarified by Bank of Spain Circular 1/2022 of January 24 to financial credit institutions on liquidity, prudential rules and reporting obligations.

In the 2019 financial year, the UCI Group decided to comply with the criteria defined by the EU CRR regarding compliance with the 2.5% "capital conservation buffer" percentage.

On April 16, 2019, UCI EFC Spain, made a transfer of 32 million euros, in order to provide equity capital to its branch in Portugal, all in accordance with the local regulator, and in order to maintain a sufficient level of solvency for the development of its lending activity in Portugal.

Therefore, the Group considers equity and the equity requirements established by the aforementioned regulations as a fundamental element of its management of the Entity, which affect both investment decisions, analysis of the viability of operations, etc.

Below is a detail of the Group's equity at December 31, 2024 and 2023, classified into Tier 1 and Tier 2 capital, calculated in accordance with the provisions of Royal Decree 309/2020, which established that, in general, the prudential regulations for credit institutions would apply to financial credit institutions, in particular Regulation 575/2013 of the European Union (CRR), subsequently amended by EU Regulation No. 876/2019, as well as by Directive (EU) 2019 / 978 of the European Parliament, amending Directive 2013/36 EU.

	2024	**2023**
Capital instruments eligible as common equity tier 1 capital	475,019	393,019
Retained earnings	41,613	117,329
Accumulated other comprehensive income	95,882	148,693
Other reserves	(80)	-
Adjustments to common equity tier 1 due to prudential filters	(95,882)	(148,693)
Other intangible assets	(2,242)	(1,354)
Deferred tax assets	(23,108)	(22,692)
Securitization positions that may alternatively be subject to a 1,250 % risk weighting	(1,273)	(1,053)
Insufficiency of the coverage of doubtful exposures	(67)	-
Other transitional adjustments to common equity tier 1 capital	-	-
Common equity tier 1 capital	**489,862**	**485,249**
Capital instruments eligible for additional Tier 1 capital	22,000	104,000
Additional Tier 1 capital	22,000	104,000
Tier 1 capital	**511,862**	**589,249**
Equity instruments eligible as tier 2 capital	149,167	150,000
Tier 2 capital	149,167	**150.000**
Shareholders' equity	**661,029**	**739,249**

In accordance with the above, at the close of fiscal years 2024 and 2023, the solvency ratios would be as follows:

	2024	2023
Over common stockholders' equity - Common Equity	11.53%	10.21%
On Basic Shareholders' Equity	12.05%	12.40%
On second tier equity	3.51%	3.16%
Of total shareholders' equity	**15.56%**	**15.56%**

At December 31, 2024 and 2023, and during those years, the individual and consolidated computable equity exceeded the requirements of the regulations in force at each moment, presenting a solvency ratio of 15.56% and 15.56%, respectively.

At the end of the 2024 financial year, the exposures from variable fees generated by the securitization funds amounted to 107.3 million (125.4 million at the end of the 2023 financial year).

On January 24, 2022, the Group received a communication from its supervisor, the Bank of Spain, within the framework of the SREP process. This communication established under Pillar II a P2R level of 2% in addition to the required solvency level for the Company, which is 10.5%.

Following the Pillar 2 communication received from the supervisor, the shareholders of UCI, S.A. proceeded to capitalize their subsidiary by issuing new shares in the amount of 100 million euros on March 4, 2022, and a new subordinated debt in the amount of 45 million euros on March 24, 2022. In addition, 22 million contingently convertible preferred shares ("CoCos") were issued as additional tier 1 capital.

In December 2022, the shareholders of UCI, S.A. capitalized their subsidiary by issuing new shares in the amount of 50 million euros. The amount and speed of the Company's recapitalization by its shareholder, reflects the commitment of UCI, S.A.'s shareholders to the solvency of the UCI Group and its main component, Unión de Créditos Inmobiliarios, S.A., E.F.C.

In December 2022, the Company again received a communication from its supervisor, the Bank of Spain, within the framework of the SREP process. This communication reduced the additional P2R level from 2% to 1.75%, effective January 1, 2023.

In December 2023, the shareholders of UCI, S.A. proceeded to capitalize the Parent Company by issuing new shares amounting to 88 million euros on December 22, 2023.

On December 11, 2023, the Group received a communication from the Bank of Spain within the framework of the SREP process. This communication implies an increase, under Pillar II, to a P2R level of 2% in addition to the required solvency level for the Company, which is 10.5%, applicable as from January 1, 2024.

On December 22, 2023, a synthetic RMBS securitization transaction of mortgage loans to individuals was carried out, in order to make a significant risk transfer (SRT) to a counterparty (insurer) through an insurance contract, the estimated CET 1 savings on the solvency statement at December 31, 2023 was €10 million, while at December 31, 2024 it has been €9.2 million.

In October 2024, the shareholders of UCI, S.A. again showed their support and commitment to their subsidiary, and proceeded with the capitalization by converting all 410 contingent convertible bonds (CoCos issued in 2019) and issuing new shares in the amount of €45.2 million, with a share premium of €36.8 million.

On December 17, 2024, the Company received a communication from the Bank of Spain in the framework of the SREP process. Said communication requires maintaining the capital ratio established to date of 10.5%.

In relation to the situation as of December 2024, it is important to highlight the Group's soundness in complying with the solvency ratios, which amount to 15.56%, although the requirements are 14%, with a surplus of 66,117 thousand euros. In this sense, the weighted average assets of the entity are 4,249,371 thousand euros in 2024 and 4,752,026 thousand euros in 2023.

06

Information by business segment and additional information

a) Segmentation by business lines

The UCI Group's core business is the mortgage business, with no other significant lines of business.

b) Segmentation by geographical area

The Group has a Branch in Portugal (production of €152 million and €128.3 million at December 31, 2024 and 2023 respectively) and in Greece, the latter ending its commercial activity in 2011, although it granted new loans until 2016, to finance the sales of some non-current assets held for sale. The Greek branch, was closed at the end of the first quarter of 2019, reassigning its assets to the parent company. The rest of the activity is on national territory.

The branch in Portugal has financial assets at amortized cost (loans and receivables) amounting to €1,098 million and €1,130 million at December 31, 2024 and 2023 respectively.

c) Agency contracts

Neither at the end of 2024 and 2023, nor at any time during those years, has the Group maintained in force "agency agreements" as defined in Article 22 of Royal Decree 1245/1995, of July 14, 1995, of the Ministry of Economy and Finance.

d) Minimum reserve ratio

As of December 31, 2024 and 2023, the Group is exempt from complying with this ratio since it does not raise responsible funds from the public.

e) Presentation currency

The Company's functional and presentation currency is the euro.

07

Duty of loyalty and compensation of directors and key management personnel of the entity

The remuneration of the members of the Parent Company's Board of Directors is included under Personnel Expenses in the accompanying consolidated income statement for Euros 110.8 thousand (Euros 152 thousand in 2023).

At the date of preparation of the financial statements, neither the members of the Board of Directors of UCI, S.A. nor the persons related to them as defined in Article 231 of the Spanish Companies Act have notified the other members of the Board of Directors of any situation of direct or indirect conflict that they may have with the interests of the Group.

Remuneration of key personnel and directors in their capacity as executives

The salary remuneration received in 2024 by the professionals comprising the Group's key personnel and the directors in their capacity as executives, comprising a total of 9 persons (including as key personnel the management committee of the subsidiary Unión de Créditos Inmobiliarios, S.A., E.F.C.), amounted to EUR 1,504 thousand, all of which corresponded to fixed remuneration (EUR 1,361 thousand in 2023 for a total of 8 persons, including as key personnel both the executive committee and the management committee).

In 2024 there were no severance payments for key personnel, whereas in 2023 there was 1 person, amounting to 68 thousand euros.

For the purposes of the attached data, key personnel are understood to be those persons who meet the requirements indicated in section 1.e) of Rule 62 of Circular 4/2017.

Commitments for pensions, insurance, loans, guarantees and other items.

The Group's Directors do not have any commitments for pensions, loans, guarantees or other items.

08

Environmental impact

The Group considers that it has adopted the appropriate measures in relation to the protection and improvement of the environment and the minimization, if applicable, of the environmental impact, complying with the regulations in force in this regard. During fiscal years 2024 and 2023, the Group has not made any significant investments of an environmental nature and has not considered it necessary to record any provision for environmental risks and charges, nor does it consider that there are any significant contingencies related to the protection and improvement of the environment.

09

Audit fees

The fees for the audit of the Group's accounts, included under "Other general administrative expenses" in the consolidated income statement for 2024, amounted to 121,700 euros (118,290 euros in 2023). In the 2024 and 2023 financial years, other fees for services related to the audit have accrued in the amount of 6 thousand euros.

10

Subsequent events

Between December 31, 2024 and the date of preparation of these financial statements, no events other than those indicated in the preceding paragraphs have occurred that significantly affect the accompanying financial statements of the Entity.

11

Accounting principles and rules and valuation criteria applied

Los principios y normas contables y criterios de valoración más significativos aplicados para la elaboración de las presentes cuentas anuales consolidadas, se describen a continuación:

The most significant accounting principles and rules and valuation criteria applied in the preparation of these consolidated financial statements are described below:

a) Accrual basis

These consolidated financial statements, except, where applicable, in relation to the cash flow statements, have been prepared on the basis of the actual flow of goods and services, irrespective of the date of payment or collection.

b) Other general principles

The consolidated financial statements have been prepared under the historical cost approach, although modified by financial assets and liabilities (including derivatives) at fair value.

The preparation of the consolidated financial statements requires the use of certain accounting estimates. It also requires management to exercise judgment in the process of applying the Group's accounting policies. These estimates may affect the amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the amount of income and expenses during the period of the consolidated financial statements. Although the estimates are based on management's best knowledge of current and foreseeable circumstances, the final results could differ from these estimates.

Going concern principle

In preparing the financial statements, it has been considered that the management of the Group will continue for the foreseeable future. Therefore, the application of the accounting rules is not intended to determine the value of the net assets for the purpose of their global or partial transfer or the resulting amount in the event of their liquidation. Furthermore, the Group's Directors consider that the Shareholders will continue to provide the Group with the necessary financial support to enable it to continue to develop its business normally in the future.

c) Financial derivatives

Financial derivatives are instruments which, in addition to providing a gain or loss, may, under certain conditions, allow all or part of the credit and/or market risks associated with balances and transactions to be offset, using interest rates, certain indexes, the prices of certain securities, the exchange rates of different currencies or other similar references as underlying elements. The Group uses financial derivatives negotiated bilaterally with the counterparty outside organized markets (OTC).

Financial derivatives are used to trade with customers who request them, to manage the risks of the Group's own positions (hedging derivatives) or to benefit from changes in their prices. Financial derivatives that cannot be considered as hedging derivatives are considered as trading derivatives. The conditions for a financial derivative to be considered as hedging are as follows:

I. The financial derivative must hedge the risk of changes in the value of assets and liabilities due to interest rate and/or exchange rate fluctuations (fair value hedge), the risk of changes in estimated cash flows arising from financial assets and liabilities, commitments and highly probable forecast transactions (cash flow hedge) or the risk of net investment in a foreign business (hedge of net investments in foreign businesses).

II. The financial derivative must effectively eliminate some risk inherent to the hedged item or position throughout the expected term of the hedge. Therefore, it must have prospective effectiveness, effectiveness at the time the hedge is contracted under normal conditions, and retrospective effectiveness, sufficient evidence that the effectiveness of the hedge will be maintained throughout the life of the hedged item or position.

    The effectiveness of the hedging of derivatives defined as hedges is duly documented by means of effectiveness tests, which is the tool that proves that the differences produced by variations in market prices between the hedged item and its hedge remain within reasonable parameters throughout the life of the transactions, thus complying with the forecasts established at the time of contracting.

    If this is not the case at any time, all the associated transactions in the hedging group would become trading transactions and would be duly reclassified in the balance sheet.

III. It is adequately documented in the effectiveness tests themselves, that the contracting of the financial derivative took place specifically to serve as a hedge of certain balances or transactions and the manner in which it was intended to achieve and measure this effective hedge, provided that this manner is consistent with the Group's own risk management.

Hedges can be applied to individual items or balances or to portfolios of financial assets and liabilities. In the latter case, the group of financial assets or liabilities to be hedged must share the same type of risk, which is understood to be met when the sensitivity to interest rate changes of the individual items hedged is similar. A hedge is considered to be highly effective when it is expected, both prospectively and retrospectively, at inception and throughout its life, that cash changes in the hedged item that are attributable to the hedged risk will be almost completely offset by changes in the fair value or cash flows of the hedging instrument. A hedge is considered to be highly effective when the results of the hedge have ranged within a variation range of 80% to 125% with respect to the results of the hedged item.

The Group normally uses interest rate swaps to hedge against interest rate variations, mainly with the Group's two shareholders.

The hedges are made by homogeneous groups with a derivative for each transaction or group of transactions hedged, and with the same reference conditions, term, as the hedged item.

d) Definitions and classification of financial instruments

I. Definitions

A "financial instrument" is a contract that gives rise to a financial asset in one entity and, simultaneously, to a financial liability or equity instrument in another entity.

An "equity instrument" is a legal transaction that evidences a residual interest in the assets of the issuing entity after deducting all its liabilities.

A "financial derivative" is a financial instrument whose value changes in response to changes in an observable market variable (such as an interest rate, exchange rate, the price of a financial instrument or a market index, including credit ratings), whose initial investment is very small in relation to other financial instruments with a similar response to changes in market conditions and which is generally settled at a future date.

Hybrid financial instruments" are contracts that simultaneously include a host contract other than a derivative together with a financial derivative, called an embedded derivative, which is not individually transferable and which has the effect that some of the cash flows of the hybrid contract vary in the same way as would the embedded derivative considered in isolation.

Compound financial instruments are contracts that simultaneously generate for their issuer a financial liability and an equity instrument of its own (such as, for example, convertible debentures that give their holder the right to convert them into equity instruments of the issuing entity).

The transactions indicated below are not treated, for accounting purposes, as financial instruments:

- Holdings in subsidiaries.
- Rights and obligations arising as a result of employee benefit plans.

II. Classification of financial assets for valuation purposes

Financial assets are presented grouped together, within the different categories in which they are classified for management and valuation purposes, unless they must be presented as "Non-current assets and disposal groups classified as held for sale", or correspond to "Cash, cash balances at central banks and other demand deposits", "Derivatives - hedge accounting", "Financial assets at fair value through other comprehensive income", or "Investments in subsidiaries, joint ventures and associates", in which case they are shown separately.

The classification criteria for financial assets depends both on the business model for their management and the characteristics of their contractual flows.

The Group's business models refer to the way in which it manages its financial assets to generate cash flows.

In defining them, the Group takes into account the following factors::

- How the performance of the business model and the financial assets held in the business model are evaluated and reported on to key management personnel.
- The risks that affect the performance of the business model (and the financial assets held in the business model) and, in particular, how those risks are managed.
- How the business managers are compensated.
- The frequency and volume of sales in previous years, as well as expectations of future sales

The analysis of the characteristics of the contractual cash flows of financial assets requires the assessment of the congruence of such flows with a basic loan agreement. Contractual cash flows that are solely payments of principal and interest on the outstanding principal amount meet this requirement.

Based on the above, the asset can be measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss for the period. Bank of Spain Circular 4/2019, dated November 26, 2009, also establishes the option to designate an instrument at fair value through profit or loss under certain conditions. The Group uses the following criteria for the classification of debt instruments:

- Amortized cost: financial instruments under a business model whose objective is to collect principal and interest flows, on which there are no significant unjustified sales and fair value is not a key element in the management of these assets and the contractual conditions give rise to cash flows on specific dates, which are only payments of principal and interest on the principal amount outstanding. In this sense, sales other than those related to an increase in the credit risk of the asset, unforeseen financing needs (liquidity stress scenarios) are considered as unjustified sales. In addition, the characteristics of its contractual flows substantially represent a "basic financing agreement".
- Fair value with changes in other comprehensive income: financial instruments included in a business model whose objective is achieved through the collection of principal and interest flows and the sale of these assets, with fair value being a key element in the management of these assets. In addition, the characteristics of their contractual cash flows represent substantially a "basic financing agreement".
- Fair value with changes in profit or loss for the period: financial instruments included in a business model whose objective is not achieved through those mentioned above, with fair value being a key element in the management of these assets, and financial instruments whose contractual cash flow characteristics do not substantially represent a "basic financing arrangement". This section includes the portfolios classified under the headings "Financial assets held for trading", "Financial assets not held for trading mandatorily measured at fair value through profit or loss" and "Financial assets designated at fair value through profit or loss".

Equity instruments are accounted for under Bank of Spain Circular 4/2017 at fair value through profit or loss unless the entity elects, in the case of non-trading assets, to classify them irrevocably at fair value through other comprehensive income.

III. Classification of financial assets for presentation purposes

Financial assets are included, for presentation purposes, according to their nature in the balance sheet, if any, in the following categories:

· Cash, cash balances at central banks and other demand deposits: cash balances and immediately available balances receivable arising from deposits held at the Bank of Spain and other central banks.

· Derivatives: includes, where appropriate, the fair value, in favor of the Company, of financial derivatives that do not form part of accounting hedges.

· Equity instruments: financial instruments issued by other entities, such as shares and participation certificates, which are equity instruments for the issuer, except in the case of investments in associates or jointly controlled entities.

· Debt securities: bonds and other securities that recognize a debt for their issuer, that accrue a remuneration consisting of interest, and that are instrumented in securities or book entries.

· Loans and advances: debit balances of credits or loans granted by the Company, as well as, if applicable, other debit balances of a financial nature in favor of the Company, such as debit balances of bank accounts held with other entities, term accounts, temporary asset acquisitions, checks payable to credit institutions, balances receivable from clearing houses and settlement agencies for transactions on stock exchanges and organized markets, guarantees given in cash, dividends accrued in favor of the Company pending collection, commissions for financial guarantees pending collection and balances receivable for transactions not originating in banking operations and services such as the collection of rents and similar. They are classified according to the institutional sector to which the debtor belongs as follows:

· Central banks: credits of any nature on behalf of central banks.

· Credit institutions: credits of any kind in the name of credit institutions, including deposits and money market operations, in the name of credit institutions.

· Customer: includes the remaining debit balances of all credits or loans granted by the Company to customers.

· Derivatives - hedge accounting: the balancing entry for the amounts credited to the income statement arising from the valuation of the portfolios of financial instruments that are effectively hedged against interest rate risk by means of fair value hedging derivatives.

IV. Classification of financial liabilities for presentation purposes

Financial liabilities are presented grouped within the different categories in which they are classified for management and valuation purposes, unless they must be presented as “Derivatives - hedge accounting”, which are shown separately.

Financial liabilities are included, for valuation purposes, in one of the following portfolios:

- Financial liabilities held for trading (at fair value through profit or loss): Financial liabilities issued with the objective of benefiting in the short term from changes in their prices, financial derivatives that are not considered as accounting hedges, and financial liabilities arising from the firm sale of financial assets acquired temporarily or borrowed (short positions).

- Financial liabilities designated at fair value through profit or loss: Financial liabilities are included in this category when more relevant information is obtained either because this eliminates or significantly reduces inconsistencies in recognition or valuation (also called accounting asymmetries) that would arise in the valuation of assets or liabilities or from the recognition of their gains or losses under different criteria, either because there is a group of financial liabilities, or financial assets and liabilities, and they are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and information on this group is also provided on a fair value basis to the Company's key management personnel. Liabilities may only be included in this portfolio at the date of issue.

- Financial liabilities at amortized cost: financial liabilities which are not included in the previous category and which correspond to the typical fund-raising activities of financial institutions, whatever their form of instrumentation and maturity.

At both December 31, 2024 and December 31, 2023, the Group had no financial liabilities which, in application of the applicable regulations, should be classified in any other category.

V. Classification of financial liabilities for presentation purposes

Financial liabilities are included, for presentation purposes, according to their nature in the balance sheet, in the following categories, if any:

- Derivatives: includes the fair value, with an unfavorable balance for the Group, of derivatives that are not part of accounting hedges.

- Deposits: includes the amounts of refundable balances received in cash by the entity, except those instrumented as marketable securities and those which are of a subordinated liability nature. It also includes, where appropriate, guarantees and cash deposits received, the amount of which may be freely invested.

Deposits are classified according to the institutional sector to which the creditor belongs as follows:

- Central banks: deposits of any kind, including credits received and money market operations, received from the Bank of Spain or other central banks.
- Credit institutions: deposits of any kind, including credits received and money market operations on behalf of credit institutions.
- Customer: other deposits, including the amount of money market transactions carried out through central counterparties.
- Debt securities issued: includes the amount of debentures and other marketable debt securities, other than those in the nature of subordinated liabilities. This category includes, if applicable, the component considered as financial liabilities of securities issued that are compound financial instruments.
- Other financial liabilities: includes the amount of obligations payable in the nature of financial liabilities not included in other items.
- Derivatives - hedge accounting: includes the fair value, against the Group, of financial derivatives designated as hedging instruments in accounting hedges.
- Short positions: amount of financial liabilities arising from the firm sale of securities received under reverse repurchase agreements, securities lending or puttable collateral

e) Valuation and recording of results of financial assets and liabilities

Financial assets and liabilities are initially recorded at fair value which, unless there is evidence to the contrary, is the transaction price. For instruments not measured at fair value through profit or loss, this initial fair value is adjusted for transaction costs, in the case of financial liabilities, that are directly attributable to the issue or arrangement of the financial liability; and for the amount of commissions and transaction costs that are directly attributable to the acquisition or arrangement of the financial asset. Subsequently, at each accounting close, they are valued in accordance with the following criteria:

Valuation of financial assets

Financial assets, except for loans and receivables and equity instruments whose fair value cannot be determined in a sufficiently objective manner (as well as financial derivatives whose underlying asset is an equity instrument and are settled by delivery of such instruments), if any, are valued at their “fair value” at each balance sheet date, without deducting any transaction costs for their sale.

The “fair value” of a financial instrument on a given date is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable, willing parties in an arm’s length transaction. The most objective and common reference for the fair value of a financial instrument is the price that would be paid for it in an active, transparent and deep market (“quoted price” or “market price”).

When there is no market price for a given financial instrument, its fair value is estimated on the basis of the price established in recent transactions involving similar instruments or, in the absence thereof, on the basis of valuation models sufficiently contrasted by the financial community, taking into account the specific features of the instrument to be valued and, in particular, the different types of risk associated with the instrument.

Derivatives are recorded in the balance sheet at their fair value from their contract date. If their fair value is positive, they are recorded as an asset, and if negative, as a liability. On the contract date, it is understood that, unless there is evidence to the contrary, their fair value is equal to the transaction price. Changes in the fair value of trading derivatives from the trade date are recorded with a balancing entry in the income statement. Specifically, the fair value of standard financial derivatives traded on organized markets included in the trading portfolios is assimilated to their daily quotation and if, for exceptional reasons, their quotation cannot be established on a given date, methods similar to those used to value derivatives not traded on organized markets are used.

The fair value of derivatives not traded in organized markets is the sum of the future cash flows arising from the instrument, discounted at the valuation date ("present value" or "theoretical close"), using valuation methods recognized by the financial markets, such as "net present value" or option pricing models, among others.

The balances of debt securities and loans and advances under a business model whose objective is to collect principal and interest flows are valued at amortized cost, provided that they meet the "SPPI" (Solely Payments of Principal and Interest) test, using the effective interest rate method. Amortized cost is understood to be the acquisition cost of a financial asset or liability plus or minus, as appropriate, principal repayments and the portion systematically charged to the consolidated income statement of the difference between the initial cost and the corresponding repayment value at maturity. In the case of financial assets, the amortized cost also includes value adjustments due to impairment. For loans and advances hedged in fair value hedging transactions, changes in their fair value related to the risk or risks hedged in such hedging transactions are recorded.

The effective interest rate is the discount rate that exactly matches the initial value of a financial instrument to all its estimated cash flows for all items over its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual interest rate established at the time of acquisition plus, if applicable, the commissions and transaction costs which, by their nature, form part of their financial yield. In the case of variable interest rate financial instruments, the effective interest rate coincides with the rate of return in force for all concepts until the first review of the reference interest rate to take place.

Equity instruments and contracts related to these instruments must be measured at fair value. However, in certain specific circumstances the Group believes that cost is an appropriate estimate of fair value. This may be the case if recent available information is insufficient to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

The amounts at which financial assets are carried represent, in all material respects, the maximum exposure to credit risk of the Group at each reporting date.

Subsequent measurement of financial liabilities

Financial liabilities are generally measured at amortized cost, as defined above, except for those included under Financial liabilities held for trading, Financial liabilities at fair value through profit or loss and financial liabilities designated as hedged items in fair value hedges (or as hedging instruments) whose carrying amount is modified by changes in their fair value related to the risk or risks hedged in such hedging transactions. Changes in the credit risk arising from financial liabilities designated at fair value through profit or loss are recorded in accumulated other comprehensive income, unless they generate or increase an accounting mismatch, in which case, the changes in the fair value of the financial liability for all items are recorded in the income statement.

Income statement recording

As a general rule, changes in the carrying value of financial assets and liabilities are recorded with a balancing entry in the income statement, distinguishing between those arising from the accrual of interest and similar items (which are recorded under the captions Interest income or interest expense, as appropriate) and those arising from other causes.

The latter are recorded, at their net amount, under gains or losses on financial assets or liabilities.

Adjustments for changes in fair value arising from:

Financial assets at fair value through accumulated other comprehensive income are recorded temporarily, in the case of debt instruments in Accumulated other comprehensive income - Items that may be reclassified to profit or loss - Financial assets at fair value through other comprehensive income, while in the case of equity instruments they are recorded in Accumulated other comprehensive income - Items that will not be reclassified to profit or loss - Changes in fair value of equity instruments measured at fair value through other comprehensive income. Exchange differences on debt instruments measured at fair value through accumulated other comprehensive income are recognized in Exchange differences, net in the income statement. Exchange differences on equity instruments, where the option has been irrevocably elected, to be measured at fair value through accumulated other comprehensive income are recognized in Accumulated other comprehensive income - Items not to be reclassified to profit or loss - Changes in fair value of equity instruments measured at fair value through other comprehensive income.

Items charged or credited to the equity captions Accumulated other comprehensive income - Items that can be reclassified to profit or loss - Financial assets at fair value through other comprehensive income and Accumulated other comprehensive income - Items that can be reclassified to profit or loss - Foreign currency translation remain in the Group's equity until the asset in which they arise is impaired or derecognized in the consolidated balance sheet, at which time they are written off against the consolidated income statement.

Unrealized gains on assets classified as non-current assets held for sale because they form part of a disposal group or a discontinued operation are recorded with a balancing entry in equity under Accumulated other comprehensive income - items that can be reclassified to profit or loss - non-current assets and disposal groups classified as held for sale.

Transfers of assets and derecognition of financial assets and liabilities

The accounting treatment of transfers of financial assets is conditioned by the extent to which and the manner in which the risks and rewards associated with the assets being transferred are transferred to third parties:

Whether the risks and rewards are substantially transferred to third parties - the case of unconditional sales, sales under repurchase agreements at fair value at the date of repurchase, sales of financial assets with a purchased call option or written put option deeply out of the money, asset securitizations in which the transferor does not retain subordinated financing or grant any type of credit enhancement to the new holders and other similar cases-, the transferred financial asset is derecognized from the balance sheet, recognizing, simultaneously, any rights or obligations retained or created as a result of the transfer.

If substantially all the risks and rewards associated with the transferred financial asset are retained -such as in the case of sales of financial assets under repurchase agreements for a fixed price or for the sale price plus interest, or securities lending contracts in which the borrower has the obligation to return the same or similar assets, in the case of asset securitizations in which the transferor maintains some type of subordinated financing or grants some type of credit enhancement to the new holders that involves assuming substantial credit risk, and other similar cases, the transferred financial asset is not derecognized from the balance sheet and continues to be valued using the same criteria used prior to the transfer. On the contrary, they are recognized for accounting purposes:

An associated financial liability for an amount equal to the consideration received, which is generally subsequently measured at amortized cost.

Both the income from the financial asset transferred (but not derecognized) and the expenses of the new financial liability.

If neither substantially all the risks and rewards associated with the transferred financial asset are transferred nor retained - in the case of sales of financial assets with a purchased call option or written put option that are neither deeply in the money nor deeply out of the money, securitizations in which the transferor assumes subordinated financing or other types of credit enhancements for a portion of the risk of the transferred asset, and other similar cases - a distinction is made between:

- If the transferor does not retain control of the transferred financial asset: it is derecognized from the balance sheet and any right or obligation retained or created as a result of the transfer is recognized.

- If the transferor retains control of the transferred financial asset: it continues to record it in the balance sheet for an amount equal to its exposure to changes in value that it may experience and recognizes a financial liability associated with the transferred financial asset. The net amount of the transferred asset and the associated liability will be the amortized cost of the rights and obligations retained, if the transferred asset is measured at amortized cost, or the fair value of the rights and obligations retained, if the transferred asset is measured at fair value.

  Accordingly, financial assets are only derecognized from the balance sheet when the rights to the cash flows they generate have been extinguished or when the risks and rewards of ownership have been substantially transferred to third parties. Similarly, financial liabilities are only removed from the balance sheet when the obligations they generate have been extinguished or when, as the case may be, they are acquired by the Group (either with the intention of cancelling them or with the intention of repositioning them again).

f) Offsetting of financial instruments

Financial assets and liabilities are offset, i.e. presented in the balance sheet at their net amount, only when the entity has both the legally enforceable right to offset the amounts recognized in the aforementioned instruments and the intention to settle the net amount, or to realize the asset and pay the liability simultaneously.

As of December 31, 2024 and December 31, 2023, there are no financial assets or liabilities for significant amounts that have been offset in the balance sheet at that date.

g) Impairment of the value of financial assets

Definition

The Group associates an impairment write-down to financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, lease receivables, as well as commitments and guarantees given not measured at fair value.

Impairment losses due to expected credit losses are charged to the income statement for the period in which the impairment becomes evident. In the event of impairment, recoveries of previously recorded impairment losses are recognized in the income statement for the period in which the impairment ceases to exist or is reduced.

In the case of financial assets with credit impairment originated or purchased, the Group will only recognize at the reporting date the cumulative changes in expected credit losses over the life of the asset since initial recognition as an impairment loss. In the case of assets measured at fair value through other comprehensive income, the portion of changes in fair value due to expected credit losses is reflected in the income statement for the period in which the change occurs, with the remainder of the valuation reflected in other comprehensive income.

In general, the expected credit loss is estimated as the difference between all contractual cash flows to be recovered under the contract and all cash flows expected to be received discounted at the original effective interest rate. In the case of financial assets purchased or originated with credit impairment, such difference is discounted using the effective interest rate adjusted for their credit quality.

Depending on the classification of the financial instruments, which is mentioned in the following sections, the expected credit losses may be at 12 months or during the life of the financial instrument:

- 12-month expected credit losses: are the portion of expected credit losses arising from potential default events, as defined in the following sections, which are expected to occur within 12 months from the reporting date. These losses will be associated with financial assets classified as “normal risk” as defined in the following sections.

- Credit losses expected during the life of the financial instrument: these are the expected credit losses arising from potential default events that are expected to occur during the life of the transaction. These losses are associated with financial assets classified as “normal risk under special surveillance” or “doubtful risk”.

For the purpose of estimating the expected life of a financial instrument, all contractual terms (e.g. prepayments, duration, call options, etc.) have been taken into account, with the contractual period (including extension options) being the maximum period to be considered for measuring expected credit losses. In the case of financial instruments with undefined contractual maturity and with an available balance component (e.g. credit cards), the expected life is estimated through quantitative analysis to determine the period during which the entity is exposed to credit risk also considering the effectiveness of management practices that mitigate such exposure (e.g. ability to unilaterally cancel such financial instruments, etc.).

Balances corresponding to impaired assets are kept on the balance sheet, in their entirety, until the recovery of such amounts is considered by the Group to be remote.

The Group considers recovery to be remote when the borrower suffers a notorious and irrecoverable deterioration of its solvency, when the liquidation phase of the insolvency proceedings has been declared or when more than 48 months have passed since its classification as doubtful due to default and it does not have a mortgage guarantee.

When the recovery of a financial asset is considered to be remote, it is removed from the balance sheet together with its allowance, without prejudice to any actions that the Group may take to try to obtain collection until its rights have been definitively extinguished, whether by expiration of the statute of limitations, forgiveness or other causes.

Classification of financial instruments

For the purposes of calculating impairment losses, and in accordance with its internal policies, the Group classifies its financial instruments (financial asset, risk or contingent commitment) measured at amortized cost or at fair value through other comprehensive income into one of the following categories:

- Normal Risk ("Phase 1"): comprises all instruments that do not meet the requirements to be classified in the other categories.

- Normal Risk in Special Surveillance ("Stage 2"): includes all instruments that, without meeting the criteria to be classified as doubtful or nonperforming, show significant increases in credit risk since initial recognition.

For the purpose of determining whether a financial instrument has increased its credit risk since initial recognition and is therefore classified as Stage 2, the Group considers qualitative criteria and does not use quantitative criteria at the balance sheet date.

The Group uses quantitative indicators that are aligned with those used by the Company in the ordinary management of credit risk, specifically irregular positions of more than 30 days and refinancing. Likewise, since 2022 the Group has implemented the use of qualitative indicators for each of its portfolios, based on the particularities and ordinary management practices in line with the policies currently in force, which are based on the external payment behavior observed in its borrowers, based on the information obtained from CIRBE and ASNEF. These criteria remain in force in 2024.

- Doubtful Risk ("Phase 3"): includes financial instruments, whether due or not, in which, without meeting the circumstances to classify them in the category of bad debt, there are reasonable doubts as to their total repayment (principal and interest) by the customer under the contractually agreed terms. Likewise, off-balance sheet exposures whose payment is probable and their recovery is doubtful are considered in Phase 3. Within this category, two situations are differentiated:

- Doubtful risk due to default: financial instruments, regardless of their holder and collateral, which are more than 90 days past due in terms of principal, interest or contractually agreed expenses. Also, the amounts of all the transactions of a client are considered in this category when the transactions with overdue amounts more than 90 days old are greater than 20% of the outstanding amounts receivable.

  These instruments may be reclassified to other categories if, as a result of the collection of part of the overdue amounts, the causes that led to their classification in this category disappear and the customer has no overdue amounts more than 90 days old in other transactions.

- Doubtful risk for reasons other than delinquency: this category includes doubtful recovery transactions that do not have any past-due amounts more than 90 days past due.

The Group considers a transaction to be doubtful for reasons other than delinquency when an event, or several events combined, with a negative impact on the estimated future cash flows of the transaction has occurred.

These transactions may be reclassified to other categories if, as a result of an individualized study, there are no reasonable doubts as to their full repayment under the contractually agreed terms and there are no overdue amounts more than 90 days past due.

- Write-off Risk: includes all financial assets, or the portion thereof, for which, after an individualized analysis, their recovery is considered remote due to a notorious and irrecoverable deterioration of their solvency.

  In any case, except in the case of transactions with collateral covering more than 10% of the amount of the transaction, in general the Company considers as remote recovery: transactions of holders who are in the liquidation phase of insolvency proceedings and doubtful transactions due to delinquency that have been in this category for more than 4 years.

  The balances corresponding to a financial asset are kept on the balance sheet until they are considered as "written-off risk", either in full or in part, and are removed from the balance sheet.

  In the case of transactions that have only been partially derecognized, due to write-offs or because a portion of the total amount is considered unrecoverable, the remaining amount must be classified in its entirety in the "doubtful risk" category, except in duly justified exceptions.

  The classification of a financial asset, or a portion thereof, as "written-off risk" does not imply the interruption of negotiations and legal proceedings to recover the amount.

In accordance with the amendments introduced by Bank of Spain Circular 3/2020, of June 11, restructured, refinanced or refinancing credit transactions do not necessarily have to be classified as normal risk under special surveillance when their classification as doubtful risk does not apply. In other words, these transactions may continue to be classified as normal risk at the date of refinancing or restructuring provided that the entity can justify not having identified a significant increase in credit risk since their initial recognition. Likewise, transactions of this type that are in the normal risk category under special surveillance may be reclassified to normal risk provided that the significant increase in credit risk has been reversed. However, they must remain identified as restructured, refinanced or refinancing until the end of the minimum two-year test period during which the holder must demonstrate good payment behavior.

Impairment allowance calculation

The Group has policies, methods and procedures for hedging its credit risk, both for insolvency attributable to counterparties and for their residence in a given country. These policies, methods and procedures are applied in the granting, study and documentation of financial assets, risks and contingent commitments, as well as in the identification of their impairment and in the calculation of the amounts necessary to cover their credit risk.

The asset impairment model of Bank of Spain Circular 4/2017 and subsequent amendments applies to financial instruments measured at amortized cost and at fair value through other comprehensive income, lease receivables, as well as commitments and guarantees granted not measured at fair value.

The impairment allowance represents the best estimate of the expected credit losses of the financial instrument at the balance sheet date, both individually and collectively:

- Individually: for the purpose of making estimates of provisions for credit risk due to insolvencies of a financial instrument, the Company makes an individualized estimate of the expected credit losses of those financial instruments that are considered significant and with sufficient information to make such calculation.

  The individualized estimate of the correction for impairment of the financial asset is equal to the difference between the gross carrying amount of the transaction and the value of the estimated cash flows expected to be collected discounted using the original effective interest rate of the transaction. The estimate of these cash flows considers all available information on the financial asset, as well as the effective guarantees associated with the asset.

- Collectively: the Group estimates expected credit losses collectively in those cases in which they are not estimated on an individual basis. This includes, for example, risks with individuals, sole proprietors or retail banking companies subject to standardized management.

  For the collective calculation of expected credit losses, the Group has robust and reliable internal models. For the development of these models, instruments with similar credit risk characteristics that are indicative of the debtors' ability to pay are considered.

The credit risk characteristics considered to group the instruments are, among others, for example: type of instrument, age of past due amounts and any other factor that is relevant to the estimation of future cash flows.

The Group performs retrospective and follow-up tests on these estimates to assess the reasonableness of the collective calculation.

On the other hand, the methodology required for the quantification of the expected loss on credit events is based on an unbiased and probability-weighted consideration of a series of scenarios, considering a range of between three and five possible future scenarios, depending on the characteristics of each unit, that could impact the collection of contractual cash flows, always taking into account both the time value of money and all available and relevant information on past events, current conditions and forecasts of the evolution of macroeconomic factors that are shown to be relevant to the estimation of this amount (e.g.: GDP (Gross Domestic Product), housing prices, unemployment rate, etc.).

For the estimation of the parameters used in the estimation of impairment provisions (EAD (Exposure at Default), PD (Probability of Default), LGD (Loss Given Default), the Group has relied on its experience in the development of internal models for the calculation of parameters both in the regulatory field and for management purposes, adapting the development of impairment provision models under Bank of Spain Circular 4/2017 and subsequent amendments.

- Exposure to default: is the amount of risk incurred estimated at the time of analysis of the counterparty.
- Probability of default: is the estimated probability that the counterparty will default on its principal and/or interest payment obligations.
- Loss given default: is the estimate of the severity of the loss incurred in the event of default.

In any case, when estimating the flows expected to be recovered, portfolio sales are included. It should be noted that due to the recovery policy and the experience observed in relation to the prices of past sales of assets classified as phase 3 and/or defaulted, there is no substantial divergence between the flows obtained from recoveries after performing a recovery management of the assets with those obtained from the sale of asset portfolios discounting the structural expenses and other costs incurred.

For the purposes of determining the accounting classification of the assets, the Entity applies the provisions of point II.C "Classification of transactions based on credit risk due to insolvency, doubtful risk" of Annex IX, contained in Bank of Spain Circular 4/2017.

The definition of default implemented in the Company for the purposes of determining the classification of the debt for the purposes of the calculations relating to determining the Entity's Solvency is based on the definition of article 178 of the European Union Regulation 575/2013 (CRR), which is fully aligned with the requirements of Bank of Spain Circular 4/2017, which considers that there is a "default" in relation to a given customer/contract when at least one of the following circumstances is present: that the entity considers that there are reasonable doubts about the payment of the totality of its credit obligations or that the client/contract is in default for more than 90 days with respect to any significant credit obligation.

The Bank of Spain, based on its experience and the information it has on the Spanish banking sector, as well as forecasts on future conditions, has estimated coverage percentages, as an alternative solution in its Circular 4/2017, for the collective estimation of risk coverage, for doubtful risk due to non-performing loans, as well as for Normal / Normal Special Surveillance risk.

The Group currently applies the criteria of the alternative solutions to the "financing to developments" portfolio.

Evaluation of the effectiveness of guarantees

The Group assesses the effectiveness of all associated guarantees by considering the following aspects:

- The time required to execute such guarantees.
- The Entity's ability to enforce or enforce these guarantees in its favor.
- Existence of limitations imposed by the local regulations of each unit on the foreclosure of collateral. In no case does the Company consider a guarantee to be effective if its effectiveness depends substantially on the solvency of the debtor.

In accordance with the foregoing, mortgage collateral on real estate, which is first lien, duly constituted and registered, is considered effective collateral. Real estate includes:

- Finished buildings and elements of buildings.
- Urban land and land for development.
- Other real estate.

The Group values the guarantees according to their nature in accordance with points 69 to 85 of Annex IX of Circular 4/ 2017 based on the following:

- Mortgage guarantees on real estate associated with financial instruments, using full individual valuations performed by independent valuation experts and under generally accepted valuation standards in the case of granting, as well as whether the thresholds defined in the standard will be exceeded. Automated valuation methods are used when the thresholds are not exceeded in the case of collateral restatement.

The Group applies a number of adjustments to the value of guarantees in order to improve the reference values:

- Adjustments according to the entity's historical sales experience.
- Also, to adjust the value of collateral, the time value of money is taken into account based on the entity's historical experience, estimating:
- Foreclosure/forfeiture period.
- Estimated time of sale of the asset.

In addition, the Group takes into account all cash inflows and outflows related to such collateral until the time of sale:

- Possible future rents committed in favor of the borrower which may be accessed after the foreclosure of the asset.
- Estimated foreclosure/forfeiture costs.
- Asset maintenance costs, taxes and community costs.
- Estimated marketing or sale costs.

h) Recognition of income and expenses

Interest income, interest expense and similar items are generally recognized on an accrual basis using the effective interest rate method. Interest accrued on accounts receivable classified as doubtful is credited to income upon collection, which is an exception to the general criterion.

Fees and commissions paid or received for financial services, regardless of their contractual denomination, are classified in the following categories, which determine their allocation to the income statement:

- Credit commissions: these are those that form an integral part of the effective yield or cost of a financing transaction. These fees are received in advance and may be of three types:

- Fees received for the creation or acquisition of financing transactions that are not measured at fair value through profit or loss. These fees are deferred and recognized in the income statement over the life of the transaction as an adjustment to the effective yield or cost of the transaction under the same heading as finance income or costs, i.e. “interest income” and “interest expense”.

  These fees may include fees for activities such as assessing the borrower’s financial condition, evaluating and registering personal guarantees, collateral and other security arrangements, negotiating the terms of the transaction, preparing and processing documents and closing the transaction.

- Fees agreed as compensation for the commitment to grant financing, when such commitment is not measured at fair value through profit or loss and it is probable that the entity will enter into a specific loan agreement. Revenue recognition for these fees is deferred and recognized in the income statement over the expected life of the financing as an adjustment to the effective yield or cost of the transaction. If the commitment expires without the entity making the loan, the fee is recognized as income at the time of expiration.

- Fees paid on the issue of financial liabilities measured at amortized cost. They are included together with the related direct costs incurred, which do not include costs arising from the right to provide a service, in the carrying amount of the financial liability, and are recognized in the income statement as an adjustment to the effective cost of the transaction.

- Non-credit fees: these are those arising from the rendering of financial services other than financing transactions, and may be of two types.

- Related to the performance of a service that is provided over time: income shall be recorded in the profit and loss account over time, measuring progress towards complete fulfillment of the performance obligation, in accordance with paragraph 15 of Rule 15 of Circular 4/2017.

- Related to the provision of a service that is executed at a specific time: these fees accrue at the time the client obtains control over the service, as in the cases of fees for securities underwriting, currency exchange, advisory or loan syndication when, in the latter case, the entity does not retain any part of the transaction for itself or retains it under the same risk conditions as the rest of the participants.

Direct related costs are all costs that would not have been incurred if the transaction had not been arranged.

Personnel expenses

Personnel expenses include all the Group’s mandatory and voluntary social security obligations accrued at any given time, recognizing obligations for bonuses, vacations and variable remuneration, as well as the expenses associated therewith.

Short-term remuneration: This type of remuneration is valued, without discounting, at the amount to be paid for the services received, and is generally recorded as personnel expenses for the year and recorded in a liability account in the balance sheet for the difference between the total accrued expense and the amount paid at year-end.

Severance indemnities: In accordance with current legislation, the Company is required to pay severance indemnities to employees terminated without just cause. At year-end there is no personnel reduction plan that would require the creation of a provision for this concept.

i) Offsetting of balances

Debit and credit balances arising from transactions which, contractually or as required by law, may be offset and the Company intends to settle them on a net basis or to realize the asset and pay the liability simultaneously, are presented in the consolidated balance sheet at their net amount.

j) Financial guarantees

Financial guarantees are considered to be contracts whereby the Group undertakes to pay specific amounts for a third party in the event that the latter fails to do so, regardless of their legal form, which may be, among others, a surety, financial or technical guarantee and an irrevocable documentary credit issued or confirmed by the Group.

Financial guarantees are classified according to the insolvency risk attributable to the customer or to the transaction and, if applicable, the need to set up provisions for them is estimated by applying criteria similar to those indicated for debt instruments valued at amortized cost.

If it is necessary to record a provision for financial guarantees, the commissions pending accrual, which are recorded under accruals on the liability side of the consolidated balance sheet, are reclassified to the related provision.

k) Income tax

The income tax expense for the year is calculated as the sum of the current tax resulting from the application of the corresponding tax rate to the taxable income for the year (after applying the deductions that are fiscally admissible) and the change in the deferred tax assets and liabilities recognized in the Group's income statement.

Deferred tax assets and liabilities include temporary differences, which are identified as amounts expected to be payable or recoverable for differences between the carrying amounts of assets and liabilities and their corresponding tax bases ("tax bases"), as well as tax loss carryforwards and credits for tax deductions not applied for tax purposes. These amounts are recorded by applying to the corresponding temporary difference the tax rate at which they are expected to be recovered or settled.

The "Tax Assets" caption includes the amount of all tax assets, distinguishing between: "current" (amounts to be recovered for taxes in the next twelve months) and "deferred" (includes the amounts of taxes to be recovered in future years, including credits for tax deductions or tax credits pending offset).

The "Tax liabilities" caption includes the amount of all tax liabilities, except tax provisions, which are broken down as follows: "current" (includes the amount of income tax payable on taxable income for the year and other taxes in the next twelve months); and "deferred" (includes the amount of income taxes payable in future years).

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets, identified as temporary differences, are only recognized if it is considered probable that the Group will have sufficient taxable profits in the future against which they can be utilized.

At the end of each reporting period, the deferred tax assets and liabilities recorded are reviewed to verify that they are still valid, and the appropriate adjustments are made in accordance with the results of the analyses performed.

The capitalized tax loss carryforwards amount to approximately 77 million euros at 12.31.24 and 77 million euros at December 31, 2023). As explained in Note 31, in relation to these capitalized tax credits, in accordance with the business plan, it is estimated that the recoverability of the amounts currently capitalized is highly probable with the generation of consolidated taxable income.

l) Lease transactions

On January 1, 2019, IFRS-EU 16 replaced IAS 17 "Leases". The single lessee accounting model requires the recognition of assets and liabilities for all lease contracts. The standard provides two exceptions to the recognition of lease assets and liabilities, which can be applied in the cases of short-term contracts and those whose underlying asset is of low value.

The single lessee accounting model requires the recognition of assets and liabilities for all lease contracts. The standard provides two exceptions to the recognition of lease assets and liabilities, which can be applied in the cases of short-term contracts and those whose underlying asset is of low value.

To determine whether a contract constitutes a lease or whether it is another type of contract, such as a contract for the provision of services, it is analyzed whether the following two conditions are met: (i) the asset is identified in the contract and (ii) the contracting party receiving the asset has the right to control its use.

The term of the lease is equal to the non-revocable period of a lease, plus the periods covered by the option to extend the lease, if it is reasonably certain that the lessee will exercise that option, and the periods covered by the option to terminate the lease, if it is reasonably certain that the lessee will not exercise that option.

In operating leases, the ownership of the leased asset and substantially all the risks and rewards incidental to the asset remain with the lessor.

When the Group acts as lessor in operating lease transactions, it presents the acquisition cost of the leased assets under "tangible assets".

These assets are amortized in accordance with the policies adopted for similar tangible assets for own use and income from lease contracts is recognized in the income statement on a straight-line basis under "other operating income".

When the Group acts as lessee and the contracts have a term of less than 12 months or where the underlying asset is of low value, the expenses of these contracts are recorded under "administrative expenses - other general administrative expenses" in the income statement.

When the Group acts as lessee and the contracts have a term of more than 12 months or where the underlying asset is not of low value, the Company records a lease liability in the balance sheet under “financial liabilities at amortized cost - other financial liabilities” and an asset for the right of use, which are valued as follows:

	At the date of commencement of the contract	Subsequently
Lease liability	It is measured at the present value of the lease payments that are not paid at that date, using as the discount rate the interest rate, referred to as the "additional financing rate", that the Company would have to pay to borrow, with a similar term and collateral, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. However, in cases where such discounting is relatively insignificant, the entity values the liability, without discounting the cash flows, in order to simplify this estimate.	It is measured at amortized cost using the effective interest rate method and is revalued (with a corresponding adjustment to the related right-of-use asset) when there is a change in future lease payments in the event of renegotiation, changes in an index or rate or in the event of a reassessment of the contract options.
Right-of-use asset	It is valued at cost and includes the amount of the initial valuation of the lease liability, payments made on or before the commencement date, initial direct costs and decommissioning or rehabilitation costs estimated to be incurred when there is an obligation to bear them.	It is amortized on a straight-line basis and is subject to any impairment loss, if any, in accordance with the treatment established for other tangible and intangible assets.

m) Property, plant and equipment

Property, plant and equipment for own use corresponds to property, plant and equipment that is expected to be used on a continuous basis by the Group and property, plant and equipment acquired under finance leases. They are valued at acquisition cost less the related accumulated depreciation and, if applicable, less any impairment loss resulting from comparing the net value of each item with its corresponding recoverable amount.

Depreciation is calculated systematically using the straight-line method, applying the years of estimated useful life of the various items to the acquisition cost of the assets less their residual value.

At least at the end of each year, the Group reviews the estimated useful lives of items of property, plant and equipment for own use in order to detect significant changes therein which, if any, are adjusted by the corresponding adjustment of the depreciation charge to the consolidated income statement for future years based on the new estimated useful life.

Upkeep and maintenance expenses of property, plant and equipment for own use are recorded in the consolidated income statement for the year in which they are incurred.

n) Intangible assets

Intangible assets are identifiable non-monetary assets, but without physical appearance. Intangible assets are considered to be identifiable when they are separable from other assets because they can be sold, leased or disposed of individually or arise as a result of a contract or other legal transaction. An intangible asset is recognized when, in addition to meeting the above definition, the Group considers it probable that economic benefits will flow to it and its cost can be reliably estimated.

Intangible assets are initially recognized at cost, whether acquisition or production cost, and are subsequently measured at cost less, where appropriate, accumulated amortization and any impairment losses.

In any case, the Group recognizes any impairment loss on the carrying amount of these assets with a balancing entry in the consolidated income statement. The criteria for recognizing impairment losses on these assets and, if applicable, the recovery of impairment losses recorded in prior years are similar to those for tangible assets.

o) Tangible assets Investment property

This caption in the accompanying balance sheet includes land, buildings and other structures held by the Group for rental purposes, to generate capital gains on their sale or both, rather than for use in the production or supply of goods or services or for administrative purposes.

Investment property is recorded at acquisition cost, which includes the costs directly attributable to the transaction and those necessary to bring them into operating condition.

The costs of expansion or improvement leading to an increase in the profitability of these assets are included as an increase in their value. On the other hand, maintenance and repair expenses which do not improve their use or extend their useful life are charged to the income statement when incurred.

Depreciation is calculated on the acquisition cost less its residual value, using the straight-line method based on the years of estimated useful life of the property. The Entity assesses, at the reporting date, whether there are any indications, both internal and external, that an asset may be impaired, such as significant declines in its market value, evidence of obsolescence of the item and increases in interest rates that may materially affect the recoverable amount of the asset. If such indications exist, the entity shall estimate the recoverable amount of the asset and, irrespective of this, at least annually. For these purposes, the recoverable amount is the higher of fair value less costs to sell and value in use.

An investment property is impaired when its carrying amount exceeds its recoverable amount, in which case such impairment is recognized in the income statement, reducing the carrying amount of the asset to its recoverable amount.

p) Provisions and contingent liabilities

Provisions are considered to be the Group's current obligations, arising from past events, which are clearly specified as to their nature at the date of the financial statements, but are uncertain as to their amount or timing, and for which the Group expects that it will have to give up resources embodying economic benefits when they fall due. Such obligations may arise from the following aspects:

I. A legal or contractual provision.

II. An implicit or tacit obligation, which arises from a valid expectation created by the Group vis-à-vis third parties regarding the assumption of certain types of liabilities. Such expectations are created when the Group publicly accepts responsibilities, derive from past behavior or from corporate policies in the public domain.

III. The virtually certain evolution of regulation in certain aspects, in particular regulatory projects from which the Group will not be able to escape.

Contingent liabilities are the Group's possible obligations arising from past events, the existence of which is conditional on the occurrence or non-occurrence of one or more future events beyond the Group's control. Contingent liabilities include the Group's present obligations whose settlement is not probable to result in a decrease in resources embodying economic benefits or whose amount, in extremely rare cases, cannot be quantified with sufficient reliability.

Provisions and contingent liabilities are classified as probable when it is more likely than not that they will occur, possible when it is less likely than not that they will occur and remote when their occurrence is extremely rare.

The Group includes in the consolidated financial statements all significant provisions for which it is considered more likely than not that the obligation will have to be settled. Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is considered remote.

Provisions are quantified on the basis of the best information available on the consequences of the event giving rise to them and are estimated at each balance sheet date. Provisions are used to meet the specific obligations for which they were recognized, preceding their total or partial reversal when such obligations cease to exist or decrease.

q) Non-current assets held for sale

Non-current assets and disposal groups that have been classified as held for sale corresponding to the carrying value of individual items, integrated in a disposal group or forming part of a business unit that is intended to be disposed of (discontinued operations) and whose sale is highly probable to take place, in the conditions in which such assets are currently located, within one year from the date to which the financial statements refer. Therefore, the recovery of the carrying value of these financial items will foreseeably take place through the price obtained on their disposal.

Real estate assets foreclosed or received in payment of debts are initially recognized at the lower of the restated carrying amount of the financial asset applied and the fair value at the time of foreclosure or receipt of the asset, less estimated costs to sell. The carrying amount of the applied financial asset is restated at the time of foreclosure, treating the foreclosed property itself as collateral and taking into account the credit risk hedges that corresponded to it according to its classification at the time prior to delivery. For these purposes, the collateral will be valued at its restated fair value (less costs to sell) at at the time of foreclosure. This carrying amount will be compared to the previous carrying amount and the difference will be recognized as an increase in hedges.

On the other hand, the fair value of the foreclosed asset is obtained through appraisal, evaluating the need to apply a discount on the appraisal, derived from the specific conditions of the asset or the market situation for these assets, and in any case, the costs of sale estimated by the entity must be deducted.

Subsequent to initial recognition, these foreclosed real estate assets or assets received in payment of debts, classified as “non-current assets and disposal groups classified as held for sale and liabilities included in such groups” are measured at the lower of their restated fair value less estimated cost to sell and their carrying amount, with the possibility of recognizing an impairment or reversal of impairment for the difference, if applicable.

Non-current assets and disposal groups classified as held for sale are not amortized while they remain in this category.

Gains and losses arising on the disposal of non-current assets and disposal groups classified as held for sale and liabilities included in disposal groups classified as held for sale, as well as impairment losses and, where applicable, their recovery, are recognized under “Gains or losses on non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations” in the income statement. The remaining income and expenses relating to these assets and liabilities are classified in the income statement items according to their nature.

Changes in the carrying value of items included under “Non-current assets and disposal groups classified as held for sale” are recorded with a balancing entry under “Accumulated other comprehensive income”. Non-current assets and disposal groups classified as held for sale.

r) Valuation of foreign currency accounts

On initial recognition, receivables and payables denominated in foreign currencies are translated into the functional currency using the spot exchange rate at the date of recognition, understood as the exchange rate for immediate delivery. Subsequent to initial recognition, the following rules are applied for the translation of balances denominated in foreign currencies into the functional currency:

I. Assets and liabilities of a monetary nature are translated at the average spot exchange rate at the reporting date.

II. Non-monetary items measured at historical cost are translated at the exchange rate at the date of acquisition.

III. Non-monetary items measured at fair value are translated at the exchange rate at the date the fair value is determined.

IV. Income and expenses are translated at the exchange rate at the date of the transaction. However, an average exchange rate for the period is used for all transactions carried out during the period, unless there have been significant variations. Depreciation is translated at the exchange rate applied to the related asset.

Exchange differences arising on translation of receivables and payables denominated in foreign currencies are generally recorded in the consolidated statement of income.

s) Consolidated statement of cash flows

In the consolidated statement of cash flows, certain concepts are used which have the following definitions:

I. Cash flows, which are inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments with low risk of changes in value.

II. Operating activities, which are the Group's typical activities and other activities that cannot be classified as investing or financing activities.

III. Investing activities, which are those corresponding to the acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

IV. Financing activities, which are activities that result in changes in the size and composition of equity and liabilities that are not part of operating activities.

t) Consolidated statement of changes in equity

The consolidated statement of changes in equity presented in these consolidated financial statements shows the total changes in equity during the year. This information is presented in turn broken down into two statements: the consolidated statement of recognized income and expense and the consolidated statement of changes in total equity. The main characteristics of the information contained in both parts of the statement are explained below:

u) Consolidated statement of recognized income and expense.

This part of the consolidated statement of changes in equity presents the income and expenses generated by the Group as a result of its activity during the year, distinguishing between those recorded as profit or loss in the consolidated income statement for the year and other income and expenses recorded, in accordance with current legislation, directly in equity.

Therefore, this statement presents:

I. The profit or loss for the year.

II. The net amount of income and expenses recognized temporarily as valuation adjustments in equity.

III. The net amount of income and expenses definitively recognized in equity.

IV. The income tax accrued for the items indicated in (ii) and (iii) above.

Total recognized income and expenses, calculated as the sum of the above items.

The changes in income and expenses recognized in equity as valuation adjustments are broken down as follows:

I. Valuation gains (losses): include the amount of income, net of expenses incurred during the year, recognized directly in equity. Amounts recognized in the year in this item remain in this item, even if they are transferred to the profit and loss account in the same year, to the initial value of other assets or liabilities, or are reclassified to another item.

I. Amounts transferred to the profit and loss account: includes the amount of valuation gains or losses previously recognized in equity, even in the same year, which are recognized in the profit and loss account.

II. Amount transferred to the initial value of hedged items: includes the amount of valuation gains or losses previously recognized in equity, albeit in the same period, which are recognized in the initial value of assets or liabilities as a result of cash flow hedges.

III. Other reclassifications: includes the amount of the transfers made during the year between valuation adjustment items in accordance with the criteria established in current regulations.

The amounts of these items are presented at their gross amount, with the corresponding tax effect being shown under the “Income tax” caption in the statement.

v) Consolidated statement of total changes in equity

This part of the consolidated statement of changes in equity presents all changes in equity, including those arising from changes in accounting policies and corrections of errors. This statement therefore shows a reconciliation of the book value at the beginning and at the end of the year of all the items comprising equity, grouping the movements that have occurred according to their nature in the following items:

I. Adjustments due to changes in accounting criteria and correction of errors: which include changes in equity arising as a result of the retrospective restatement of balances in the financial statements due to changes in accounting criteria or correction of errors.

II. Income and expenses recognized in the year: includes, on an aggregate basis, the total of the items recorded in the statement of recognized income and expenses indicated above.

III. Other changes in equity: includes the remaining items recorded in equity, such as increases or decreases in the endowment fund, distribution of income, transactions with own equity instruments, payments with equity instruments, transfers between equity items and any other increase or decrease in consolidated equity.

w) Own equity instruments

Own equity instruments are considered to be those that meet the following conditions:

- They do not include any type of contractual obligation for the issuing entity that involves: delivering cash or another financial asset to a third party; or exchanging financial assets or liabilities with third parties under conditions that are potentially unfavorable to the entity.

- If they can be, or will be, settled with the issuing entity's own equity instruments: when it is a non-derivative financial instrument, it will not involve an obligation to deliver a variable number of its own equity instruments; or when it is a derivative, provided that it is settled for a fixed amount of cash, or another financial asset, in exchange for a fixed number of its own equity instruments.

Transactions in own equity instruments, including their issue and redemption, are recorded directly with a balancing entry in consolidated equity.

Changes in the value of instruments classified as equity instruments are not recorded in the financial statements; the consideration received or given in exchange for such instruments is added to or deducted directly from consolidated equity and the costs associated with the transaction are deducted from equity.

Equity instruments issued to fully or partially settle a financial liability are initially recognized at fair value, unless the fair value cannot be reliably determined. In this case, the difference between the carrying amount of the financial liability (or part thereof) cancelled and the fair value of the equity instruments issued is recognized in profit or loss.

x) Hybrid financial instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and, simultaneously, a financial liability or equity instrument in another entity.

An equity instrument is a legal transaction that evidences a residual interest in the assets of the issuing entity after deducting all of its liabilities. A financial derivative is a financial instrument whose value changes in response to changes in an observable market variable (such as an interest rate, exchange rate, the price of a financial instrument or a market index, including credit ratings), whose initial investment is very small in relation to other financial instruments with a similar response to changes in market conditions and which is generally settled at a future date.

Hybrid financial instruments are contracts that simultaneously include a host contract other than a derivative together with a financial derivative, called an embedded derivative, which is not individually transferable and which has the effect that some of the cash flows of the hybrid contract vary in the same way as would the embedded derivative considered in isolation.

Compound financial instruments are contracts that simultaneously generate for their issuer a financial liability and an equity instrument of its own (such as, for example, convertible debentures that give their holder the right to convert them into equity instruments of the issuing entity). Contingently convertible preferred participations ("CoCos") into common shares eligible for equity purposes as additional tier 1 capital, with the possibility of purchase by the issuer under certain circumstances, the remuneration of which is discretionary, and which will be converted into a variable number of newly issued common shares in the event that the consolidable group, of which the entity is the parent company, has a capital ratio below a certain percentage (trigger event), as both terms are defined in the corresponding issuance prospectuses, are accounted for by the Group as compound instruments (see note 23).

The liability component reflects the issuer's obligation to deliver a variable number of shares and the equity component reflects the issuer's discretion to pay the associated coupons. To make the initial allocation, the Company estimates the fair value of the liability as the amount it would have to deliver if the trigger event were to occur immediately, so the equity component, calculated as the residual amount, amounts to zero.

Due to the aforementioned discretion in the payment of coupons, the coupons are deducted directly from the Group's equity.

12

Customer service and money laundering

Customer service

Order ECO 734/2004, dated March 11, 2004, of the Ministry of Economy established, among other things, the obligation of the customer services and customer service departments of the financial entities to prepare an annual report explaining their activities, in the terms contained in Article 17 of the aforementioned Order, indicating as obligatory the inclusion of a summary of said report in the Annual Report of those financial entities. Additionally, for those cases in which there is a Customer Ombudsman, the aforementioned legal text establishes the same obligations, always for the purpose of clarifying the activities carried out during the year.

During 2024, the total number of complaints/claims amounted to 12,862 (6,356 in fiscal year 2023), these are broken down as follows:

- 12,334 handled by Customer Service (6,223 in FY 2023).
- 5,288 handled by the Customer Ombudsman (133 in fiscal year 2023).
- 5,166 were rejected (2,444 in fiscal year 2023).

Complaints received and admitted for processing amounted to 7,696 (3,912 in fiscal year 2023), with the most significant reasons for complaints filed by customers being the following:

- Expenses incurred in processing the transaction.
- Arrangement fee.
- Disagreement with the application of the IRPH as a review reference.
- Late payment interest, early maturity and commissions for debit positions..

It should be noted that the aforementioned reasons have been the object of the claims, either jointly or separately and, in some cases, reiterated by the clients.

In 2024 the complaints/claims that were admitted were resolved as follows:

- Favorable to the customer: 196 (423 in fiscal year 2023).
- Unfavorable to the customer: 7,500 (3,489 in fiscal year 2023).

Of the claims resolved in favor of the customer, we should point out that in 15 cases economic rights were recognized for the customer in the amount of 11,959 euros (27 cases in fiscal year 2023 economic rights were recognized for the customer in the amount of 16,745 euros).

It should be noted that, in 2024, 24 complaints were received that were filed by our customers with the Bank of Spain's Department of Entities (21 in fiscal year 2023). Likewise, and although they do not strictly speaking constitute claims, 127 requests for information were submitted to the CIRBE service (91 in fiscal year 2023).

Regarding the criteria taken into consideration in the resolution of claims, these are mainly based on the following aspects:

- Adequacy and compliance with the applicable regulations in force at any given time.
- Compliance with the contractual obligations assumed, with the signing of the loan contract, by each of the parties (customers and entity).
- Information provided by the Entity to the client, both in the pre-contractual phase and during the term of the contract.
- Compliance with good banking practices.
- Situation presented by the client, especially in case of vulnerability or risk of exclusion due to the economic crisis or unforeseen unforeseen situations.

Thus, in resolving complaints, we take into account not only objective facts (such as the applicable regulations and good banking practices) but also the personal situation reported by the customer, trying to provide a solution adapted to the specific circumstances of each customer. With respect to the claims raised by customers regarding payment difficulties, since the Bank has adhered to the Code of Good Practices, customers are informed and responded to in accordance with these regulations and good banking practices.

Additionally, we must indicate that a basic principle of the S.A.C. is the protection of the customer's interest and, in compliance with this principle, the S.A.C. carries out, when appropriate, those actions aimed at showing a willingness to solve the controversy raised and reach, if necessary, agreements with our customers.

Money Laundering

Regulatory Compliance and Prevention of Money Laundering.

During fiscal year 2024, the Group has continued to monitor the Regulatory Compliance and Prevention of Money Laundering, including the real estate sales activity, within the framework of Law 10/2010 on the Prevention of Money Laundering and its Regulations, in order to control its reputational and operational risk.

From the general point of view of the Compliance function, in terms of regulations, ethics, good corporate governance and complaints management, the necessary adaptations and monitoring have continued to be carried out in order to maintain the good results in the number and treatment of complaints, and to establish internal policies that establish ethical criteria and mitigate the risk of non-compliance with regulations in the performance of the activity. During the year 2024, the Conflicts of Interest Framework Policy, Product Validation and Monitoring Policy, Board Member Remuneration Policy and the Framework and Policy Governance Procedure were reviewed and updated. Likewise, a new Policy on the use of social networks was distributed to the staff and other policies and procedures related to the Compliance function were revised, specifically: Policy on relations with authorities and Public Administrations, Procedure for the publication of documents on websites and Procedure for the management of electronic notifications and Guide to standards of conduct with clients in default. All policies and procedures are available to employees on the corporate intranet.

From the particular point of view of compliance with money laundering prevention regulations, the main lines of work during the 2024 financial year have been:

- The monitoring of the system for managing alerts of potentially suspicious operations of money laundering and terrorist financing, both for the financing area and for the real estate sales area, without prejudice to the subsequent detailed analysis of each file.
- Review of the money laundering prevention system by an External Expert, in accordance with the provisions of Law 10/2010, of April 28, 2010, on the prevention of money laundering and terrorist financing.
- Internal verification of the money laundering prevention system by the Internal Audit Department of the UCI Group.
- Review and update of the risk self-assessment report on the prevention of money laundering.

Review and update of the risk self-assessment report on the prevention of money laundering.

Gifts and Invitations Policy. Anti-corruption and anti-bribery policy

Similarly, in the UCI Group we have a Gifts and Invitations Policy which, together with the Anti-corruption and Anti-bribery Policy, form part of the criminal prevention system and which establishes the guidelines to be taken into account in relation to the possible giving or acceptance of gifts in the UCI Group, in order to avoid incurring in actions contrary to the regulations and internal procedures.

In addition to the gifts and entertainment policy, we have an anti-corruption and anti-bribery policy. The UCI Group is committed to a “zero tolerance” policy with respect to any type of corruption and/or bribery activities, in all forms and circumstances in which they may occur. The anti-corruption and anti-bribery policy aims to identify the most common scenarios in which such activities may occur and how to identify, prevent and avoid them. .

Consumer Protection Policy (Protection of the Customer’s Interest)

One of the main objectives of the UCI Group is to respect the interests of customers and their inherent rights. Therefore, the Consumer Protection function is a relevant function within the scope of Compliance.

Within this framework, the UCI Group has established its Consumer Protection Policy, which has the following principles as its main axes:

- Fair and respectful treatment. For the UCI Group, fair treatment of customers is a strategic element that is part of the corporate culture. It is essential to place the customer at the center of the business, fostering a relationship of trust between both parties. Customers have the right to be treated with respect and in an honest, fair and non-discriminatory manner, with high ethical standards, using clear language and ensuring prompt, rigorous, diligent and efficient management, with special emphasis on transparency with the customer.
- Design of products and services with a customer focus. The UCI Group is a socially responsible organization and, as such, one of its fundamental objectives is to have a correct design of its financial products and services, always within the scope of national and international regulations on consumer protection.

- Transparency in communication. Communications with the customer throughout the entire customer relationship cycle must be carried out with transparency and quality, regardless of the time at which they take place. UCI promotes communication based on providing accurate and sufficient information, with clear and simple language.

- Responsible pricing, taking into account consumer protection and price competition regulations.

- Consideration of customers' special circumstances and prevention of over-indebtedness, relying on the responsible granting of financing and, where appropriate, taking into account customers' special circumstances and/or financial difficulties in order to proceed in their best interest and offer them viable solutions.

- Data protection, carrying out a rigorous management of the data based on the regulations in force, applying the principles of legality, loyalty, transparency and accuracy.

- - Management of Complaints. The principles that govern the performance of the S.A.C. are accessibility, independence, specialization and continuous improvement.

- Financial education. Knowledge of the system and of the principles of personal and family finance is essential to mitigate possible lack of understanding of financial products and services that may lead to possible conflicts that may arise with the entities. Financial education aims to contribute to the improvement of the financial culture of citizens, providing them with tools, skills and knowledge to make informed and appropriate financial decisions, helping consumers enjoy a higher degree of protection.

- Responsible innovation. Responsible innovation within the UCI Group is defined as the use of new and improved products, services and processes, complying with the evolution of consumer needs, and avoiding barriers to access, understanding, use or utilization of those products, services or processes by customers, in order to achieve customer satisfaction

General Policy on Conflicts of Interest

Similarly, in the UCI Group we have a General Policy on Conflicts of Interest, the purpose of which is to make available to employees, directors and UCI Group entities the guidelines for preventing and managing conflicts of interest that may arise as a result of their activities.

This policy has been developed taking into account criteria of proportionality with respect to the structure of the UCI Group in order to identify the circumstances in which conflicts of interest may arise, and the internal reference regulations establishing the mechanisms for preventing and managing conflicts of interest, in particular:

- Code of Ethics.

- Corporate Governance Policy

- Remuneration policy for Board members.

- Outsourcing Policy for Essential Services.

- Anti-Corruption and Anti-Bribery Policy. Gifts and Invitations Policy. .

Conflicts of Interest Policy has been reviewed and updated in 2024.

Whistleblowing Channel - Whistleblowing

The UCI Group is firmly committed to the prevention of criminal risk, as well as to the prevention and eradication of malpractice in professional performance. The Group has a Whistleblower Channel (Ethics Alert channel). This whistle-blowing channel is a tool that allows the communication of any conduct that is not in line with current regulations or with the entity's internal policies and procedures and that entails or may entail a risk for the UCI Group. The regulations governing whistleblowing channels (Law 2/2023, of February 20, regulating the protection of persons who report regulatory infringements and the fight against corruption) includes a series of principles such as the prohibition of retaliation against whistleblowers, the possibility of anonymous communications, the duty of confidentiality, the extension of the scope of use of the channel to external parties who collaborate with the Entity, the principle of presumption of innocence or the future creation of the Independent Authority for the Protection of the Whistleblower. We also have an "Information Management Procedure - Ethical Alert" and the "Whistleblower Protection Policy", both of which are available to all UCI Group employees.

Compliance Activity

I. Whistleblowing Channel. During fiscal year 2024, 5 complaints have been received through this whistleblowing channel in Spain.

II. Gifts and invitations. During the year 2024 there have been no incidents related to the Gift Policy.

III. Money Laundering Prevention Alerts. During 2024 a total of 1,609 alerts have been analyzed in Spain, of which 31 were reported to the OCI (Internal Control Body) and, of these 31, 17 have been reported to SEPBLAC. The monitoring provided for in the regulations on the prevention of money laundering continued with the periodic review of the customer portfolio. As part of the periodic review process, a further 1,209 matches have been analyzed.

In Greece, 90 alerts were analyzed and none were reported to the local regulatory body.

In Portugal, 897 alerts were analyzed and none were reported to the local regulator.

Awareness-raising and training provided in the area of Regulatory Compliance

In 2024, the UCI Group has continued with training and awareness-raising to train, inform and make employees aware of potential compliance risks and provide them with the necessary tools to identify, prevent and mitigate them if they materialize.

Likewise, during this fiscal year 2024, the following training actions have been carried out on Compliance matters (Criminal Risk Prevention, Prevention of Money Laundering, Data Protection, International Sanctions and Embargos, Competition Law, Anti-Corruption Training, Product Validation and Monitoring, Advertising of Banking Products and Services, Conduct and Volcker) and internal dissemination actions have been carried out on contents related to Compliance matters.

The **training** modules on Compliance matters given during the year 2024 in Spain have been:

- Competition Law
- Protection of the Client's Interest.
- Prevention of Money Laundering and Terrorist Financing - on-line training for all staff.
- Prevention of Money Laundering and Terrorist Financing - workshop for UCI Group Commercial Agency Managers in Spain.
- Prevention of Money Laundering and Terrorist Financing - face-to-face training for the Management Committee and identified area managers.
- Data Protection
- International embargoes and sanctions.
- Conduct.
- Anti-corruption and Gift Policy.
- Criminal risk prevention.
- Product validation and monitoring.
- Advertising of banking products and services.
- Volcker

The scope of all training was for the entire workforce, except for the training on competition law, aimed at managers and directors, the classroom training on Prevention of Money Laundering and Terrorist Financing (aimed at the Management Committee and certain directors), the workshop on prevention of money laundering (aimed at agency directors) and the Volcker training, which was aimed at a specific group of employees and directors.

Internal communications to raise awareness of content related to Compliance matters during 2024 were as follows:

- Conflicts of interest.
- Management of third-party communications.
- Ethics and transparency - conduct and protection of customer interests.
- Update of the Conflicts of Interest Policy.
- Modification of the tariff brochure.
- Corporate Governance Policy" and Governance Framework and Policy Procedure.
- Update of the "Guide to standards of conduct with customers in default".
- Customer data.
- Gifts and invitations.
- Data protection.
- Standards of Conduct and Code of Ethics.
- The importance of money laundering prevention.
- Updating of the "Policy on relations with authorities and public administrations" and the "Governance procedure for frameworks and policies".
- Policy on the use of social networks.
- Criminal risk prevention.
- Product validation and monitoring policy.
- Ethics alert.

Regulatory developments

Within the framework of the Compliance function, one of the main aspects is the identification and communication of regulatory and normative novelties with an impact on the Entity. Compliance with the regulations in force within the UCI Group is essential to ensure solvency and business continuity and best practices in our activity. The UCI Group, as an entity, is subject to varied and constantly changing regulations, which implies the implementation of modifications in our processes and procedures to ensure compliance with said regulations.

In the UCI Group we have the "Regulatory Management Procedure", which aims to reinforce the circuit to be followed to ensure the correct adaptation of our processes to the regulatory modifications produced.

In 2024, 218 new regulatory developments were disseminated in Spain to the different areas for analysis and identification of the possible impacts on the UCI Group's activity and their implementation, where appropriate.

Likewise, in 2024 a communication circuit of "News of Regulatory Interest" has been implemented, which includes news on rulings, draft laws or amendments thereto, criteria or resolutions which, without being directly applicable regulations, may be of interest for the activity of the UCI Group. During the year 2024, 29 "News of Regulatory Interest" communications have been disseminated, with a total of 1,261 news items disseminated.

13

Credit risk

Introduction

The Board of Directors, as the supreme management body, establishes and supervises compliance with the Group's risk policy. The Board of Directors determines the operating limits and the delegation of powers for credit risks, market risks and structural risks.

One of the pillars on which the activity of a financial institution is based is proper risk management. Controlling risk is the guarantee for the persistence of our business over time. The main objectives pursued in risk management are:

- Optimize the relationship between assumed risk and profitability.
- Adapt capital requirements to the risks assumed by the Group. It is essential for the Group to establish a capital plan that guarantees its long-term solvency, so as not to compromise its business model and risk profile.

At UCI, risk management is carried out according to the origin of the risk. Due to the group's own business, we have to distinguish mainly between:

- Credit Risk (where credit risks with customers are concentrated, more than 90% of the total risk).
- Market Risk.
- Operational Risk.
- Capital and Solvency Risk (see note 5).

All of them are addressed and mitigated with all the techniques currently available.

The Group has configured management schemes in accordance with the needs derived from the different types of risk. The understanding of risk management as a continuous process has led to the creation of management processes for each risk, with the measurement tools for their administration, assessment and follow-up, as well as the definition of the appropriate circuits and procedures, which are reflected in management manuals or in the Credit or Collection Committees.

Below are grouped by headings the different matters which, in a more significant way, distinguish Risk Management and Control in the Group.

Credit risk management

Internal organization

The Board of Directors has delegated to the Delegate Committee for credit risk, composed of the Chairman and the Chief Executive Officer, the decision on transactions which, depending on their profile, have not been delegated to other executive levels. The Board has established that the Delegated Credit Risk Committee may decide on transactions of any amount.

At the executive level within the Operations Department, the National Authorization Center (C.A.N.) is the body responsible for deciding on all files.

In order to provide us with a consolidated, coherent and solid database, the Group has chosen to centralize the coding process, thus avoiding the emergence of multiple criteria regarding the interpretation of the data to be coded. One of the main consequences of this organization is the suitability of the databases for the elaboration of our scoring model. The coding of the data is carried out by the risk analysts of the C.A.N. team, which is periodically checked by the Policies and Methods Department and Internal Audit.

Most of the decisions are taken centrally in the C.A.N.

The C.A.N.'s risk analysts decide on operations according to their powers. Those that exceed the latter are submitted for decision to the C.A.N. committee or the Operations Committee as appropriate.

On a monthly basis, the activity carried out by the area is reviewed from the point of view of team productivity, decision quality, risk levels assumed and transformation rates, in order to comply with the established standards.

In addition to the C.A.N., there are other departments that outline the organizational structure of the Operations Department in the UCI Group.

The Department of Managers, integrated in this same department, has the mission of monitoring, controlling and animating the network of administrative agencies with which we work. They are also responsible for the correct application of our selection policy from the point of view of the legal security of the operations.

The Appraisal Department is in charge of supervising the activity carried out for us by the appraisal companies, providing decisive support in those operations that require a technical opinion.

The Policies and Methods Department is responsible for the definition and implementation of the policies and procedures to be followed in the assembly, processing and decision of a loan. It is also responsible for the training, supervision and control of the correct application of policies and procedures, both in our agencies and in the C.A.N. This Department was integrated into the Operations Department until the beginning of fiscal year 2024, and is now under the responsibility of the Risk Department, without affecting its functionalities and operation.

The quality of the processes of assembling, analyzing and deciding on files, as well as those corresponding to the Managers and Appraisal Departments, were certified in Spain by AENOR as complying with Spanish Standard UNE-EN ISO 9001:2008 in March 2003, and is extended to the entire commercial network. Follow-up audits are carried out annually. Certification is renewed every three years, with the latest renewal in 2023.

Control of external collaborators:

In the UCI Group, risk control is present at all stages of the process of processing a file and not only affects the internal management units, but also includes those tasks that are delegated to our external collaborators.

Thus, on the one hand, it has been established that the network of administrative agencies is linked to our central systems and is vertically integrated into our management system.

It should be pointed out that in the UCI Group, the administrative managers not only carry out purely administrative tasks, but are also the UCI Group's attorneys-in-fact and are responsible for the correct legal management of our operations, being in charge of the following processes, among others: search and analysis of the registry information, preparation and execution of the signature acting as representatives and attorneys-in-fact of the Company, presentation of the deeds in the corresponding registries, cancellation of any charge prior to our mortgage that may appear in the registry guaranteeing the first rank of the same, settlement of taxes, settlement of the provision of funds made to our clients, and remission of the deeds to the file once all the appropriate controls have been carried out in order to guarantee the established risk levels.

It is important to point out that to a great extent the success of their work depends on the control processes established in the management systems that the UCI Group has developed for this activity.

On the other hand, the appraisal process is also subject to the control and supervision of the systems, without affecting the total freedom of the appraisal companies in determining the value of the guarantees.

The interconnection of the respective computer systems makes it possible to establish automatic quality controls that go beyond the verification of a minimum appraisal value required. Among other things, the relocatability, the adaptation of the property to the demand, the community expenses, the need for renovations, the regime to which it is subject, the possible presence of third parties with preferential rights, etc., are checked.

Any anomaly implies the referral of the file to the C.A.N. for a new decision in which the risk factors highlighted in the appraisal are assessed.

Scoring model and cost of risk

Since the creation of the UCI Group, one of Management's most constant concerns has been to model the performance of the loan portfolio.

In 2023, the ninth version of the credit scoring model, built on a history of homogeneous default events since 2010, was launched in Spain.

This model, more granular in scale than previous ones, makes it possible to discriminate between different categories of customers in terms of homogeneous payment behavior, anticipating the probability of their default.

Scoring is an integral part of the selection parameters when accepting a given risk.

In order to complete the view of the risk associated with our files, we have developed a model of the expected cost of risk which makes it possible to quantify the expected loss of a file according to its score and the percentage of financing with respect to the value of the guarantee.

This cost of risk is included in our pricing model so that the financial conditions to be assigned to a file can be managed individually according to its risk.

In Portugal, the fifth version of the scoring system specific to the retail business in Portugal, built on the experience of the actual payment behavior of UCI Group customers since its inception, was implemented in 2020. Portugal represented 7% of UCI, S.A., E.F.C.'s credit risks at the end of 2008, 11.83% at the end of 2023 and 12.29% at the end of 2024.

In order to provide early measures of credit risk for the UCI Group, there are three basic elements: expected loss, probability of default and loss given default.

The expected loss in percentage terms with respect to the risk exposure is formulated as follows:

Expected loss (%) = Probability of Default (%) x Severity (%)

On the other hand, economic capital, in addition to depending on the same components as expected loss, also depends on other elements, such as the confidence level taken as a reference, as well as correlations or the degree of diversification of the portfolios.

- Probability of default: Default is defined as a delay in the payment of an obligation of more than 90 days, a definition that coincides with the Basel II document. The horizon for calculating this probability is three years. It should be noted that the higher the tranche, the lower the probability of default. The historical bases developed are used to study how this probability varies according to the scores assigned by the scoring and other possible relevant axes (for example, age of the operation).

- Severity: It is defined as the anticipated estimate of the final credit losses in the event of default. Its complementary is the recovery rate, which can be calculated as the difference between 100% and LGD. In addition to the effectiveness of the recovery process itself, the elements that affect it are the type of product involved and the guarantees attached to the operation (mortgage or credit insurance in the case of the UCI Group). In order to have estimates of loss given default, it is necessary to have historical and homogeneous databases that allow the result of the collection procedures to be analyzed according to different segmentation criteria. In this sense, the development of the database for the historical analysis of recoveries for the UCI Group in Spain according to customer score brackets has been completed. The information collected extends back to 1993 in Spain. In Portugal, the same process has been carried out, using data generated since 2004.

Expected Losses: During the year 2024, the expected loss estimates have been adjusted according to the tranches and scoring, and new information from the historical risk databases has been made available, where all the risk exposure information is being integrated together with its probability of default and loss given default and loss given default estimates discriminated by portfolios. The expected loss on the new mortgage loan portfolio generated in Spain in 2024 is 14 bp (11 bp in 2023) and for Portugal it is 6 bp (5 bp in 2023).

Incorporation of forward-looking information in expected loss models

As shown in the following section, the Group has taken into account macroeconomic scenarios with 3 levels of different severity (3 in 2023). These scenarios have been contrasted with those issued by official bodies and by the Group's shareholders.

The projected variables considered are as follows:

		31/12/24				31/12/23		
		2025	2026	2027		2024	2025	2026
Change in GDP								
(annual changes)	*Negative*	(0.2)%	(0.9)%	0.2%		(1.7%)	(1.2%)	0.1%
	Base	2.0%	1.9%	1.5%		1.3%	2.0%	1.6%
	Positive	3.3%	3.9%	2.8%		2.6%	3.9%	3.0%
Unemployment rate								
(absolute level)	*Negative*	11.5%	12.9%	13.2%		13.6%	14.8%	14.7%
	Base	10.8%	10.4%	10.1%		12.1%	11.4%	10.7%
	Positive	10.4%	9.2%	8.4%		11.5%	9.7%	9%
Interbank rate 12 months								
(absolute level)	*Negative*	3,6%	3,5%	3,3%		4.3%	3.7%	3.4%
	Base	2,9%	2,8%	2,8%		3.8%	3.2%	2.9%
	Positive	2,6%	2,6%	2,6%		3.5%	2.9%	2.8%
Housing price variation								
(annual changes)	*Negative*	0.9%	(1.8)%	(2.8)%		0.5%	(1.1)%	0.2%
	Base	3.5%	3.3%	3.0%		1.2%	1.5%	2.6%
	Positive	3.5%	4.6%	4.4%		1.5%	2.6%	3.9%
Variation in the consumer price index								
(annual changes)	*Negative*	2.5%	2.6%	2.4%		4.1%	3.4%	2.7%
	Base	2.2%	2.0%	2.0%		2.7%	2.3%	2.2%
	Positive	2.1%	2.0%	1.9%		2.3%	2.1%	2.0%

In 2024 and 2023, based on a base scenario, the "negative" scenario reflects weaknesses that lead, together with other macroeconomic dynamics, to declines in productivity, GDP and house price variations higher than the evolution of the consumer price index. The positive scenario reflects more favorable developments than the baseline scenario.

Model assumptions and scopes

The Company performs an annual recalibration of the provisioning model, in which it integrates the impact of the effective management of its recovery and the marketing of its foreclosed assets in the dynamic parameters of the model, with information as current as possible to comply with the point-in-time nature of these methodologies, measured at June 30 of the fiscal year.

The Company inserts this future protection in a macro-economic environment determined by the combinations of the different scenarios. As can be seen, the scenarios are three-year scenarios. The Company inserts this future protection in a macro-economic environment determined by the combinations of the different scenarios. As can be seen, the scenarios are triennial.

In accordance with the principles of the applicable accounting regulations, the expected loss for each loan takes into account a “forward-looking” (12-month horizon) or “life-time” (horizon to the end of the loan’s life or maturity) view, depending on the accounting classification of the exposures: horizon to the end of life for doubtful loans in default or not, for loans under special surveillance, and 12-month horizon for the remaining healthy loans.

The determination of loan loss provisions for credit risk is performed on the basis of the development of an internal model, based on what is defined in Annex IX of Circular 4/2017, and the precisions set for this purpose by IFRS 9. In this regard, the Group evaluates the existence of additional adjustments to the model for effects that could have an impact on the payment capacity and, consequently, impairment, which are not modeled. In 2024, the company included an adjustment of 5 million euros, with the objective of reinforcing the hedges in operations classified as doubtful with more than 7 years of age.

The weighting of the scenarios envisaged in 2024 for each of the years for each segment is as follows:

Negative	Base	Positive
25%	50%	25%

The weighting of the scenarios foreseen in 2023 for each of the years for each segment is as follows:

Negative	Base	Positive
25%	50%	25%

This weighting applies to the Company’s portfolio in Spain, which represents 86% of the Group’s total. The calibration principles for the other countries (Portugal and Greece) follow the letter or spirit of the above, albeit in a simplified form.

Coexistence of scenarios and sensitivity

The different variables that measure or quantify the economic situation influence each other and show correlations of varying signs: the growth of gross domestic product and the unemployment rate tend to evolve in different directions, low interest rates can fuel growth or conversely be an effect of less restrictive monetary policies caused by weak growth, the evolution of housing prices must be read in conjunction with the evolution of consumer prices, etc.

These dependencies make it difficult to establish clear causal relationships between a particular variable and an effect (e.g., expected credit loss) and, additionally, also make it difficult to interpret sensitivities to expected credit loss model estimates when these sensitivities are provided for several variables simultaneously.

The following shows the estimated sensitivity to a 1% rise in the unemployment rate, as well as to a 1% fall in real estate asset prices in the expected credit risk losses at the end of 2024 on the entire loan portfolio.

1% rise in unemployment rate		1% drop in housing prices	
Impact in millions of euros	Impact in % of hedges	Impact in millions of euros	Impact in % of hedges
1.22	0.02%	10.94	0.14%

Concentration risk

The UCI Group continuously monitors the degree of concentration of the different credit risk portfolios under the most relevant dimensions: geographical areas, economic sectors and customer groups. The Board of Directors establishes the risk policies and reviews the approved exposure limits for the adequate management of the degree of concentration.

Given the Group's mortgage activity sector, the lending activity is dispersed throughout the Spanish Autonomous Communities and Portuguese regions (through loans formalized by the Branch in that country), with the highest degree of concentration in those transactions involving developer risk in Spain, where the risk formalized may amount to more than one million euros, a figure that is not significant in any case.

The Group is subject to the solvency regime provided for credit institutions in Title II of Law 10/2014, of June 26, and in Title II of Royal Decree 84/2015, with the exceptions indicated above (Note 5) whose regulatory framework and for reporting purposes has been clarified by Bank of Spain Circular 1/2022, of January 24, to credit financial institutions, on liquidity, prudential rules and reporting obligations.,. In accordance with this legal framework, the company is subject to the Bank of Spain's regulation on large exposures, which are those exceeding 10% of eligible capital. As of December 31, 2024 and 2023, there was no risk above the indicated limits. Therefore, no individual exposure, including all types of credit risk, exceeded the limit of 25% of the Group's equity.

The policies established for the disposal of foreclosed real estate assets or assets received in payment of debts include the marketing of the assets through real estate professionals. The Group's strategy for each of these non-current assets for sale may include improvement or refurbishment works, in collaboration with the professionals responsible for their marketing. The aim of the strategies is to optimize the timing and price of disposal of these assets, in line with the evolution of the real estate market.

The concentration of risks by activity and geographical area of the Group at December 31, 2024 is as follows:

CONCENTRATION OF RISKS BY ACTIVITY AND GEOGRAPHICAL AREA (Carrying amount in thousands of euros)	TOTAL 31.12.2024	Spain	Rest of the European Union	The Americas
TOTAL ACTIVITY				
1. Credit institutions	**396,424**	**393,498**	**2,925**	-
2. Public Administration	**68,651**	**68,651**	-	-
3. Other financial institutions	-	-	-	-
4. Non-financial companies and sole proprietorships	**6,643**	**6,194**	-	**449**
4.1 Construction and real estate development	6,183	6,183	-	-
4.2 Construction of civil works	-	-	-	-
4.3 Other purposes	**460**	**11**	-	**449**
4.3.1 Large companies	-	-	-	-
4.3.2 SMEs and sole proprietorships	460	11	-	449
5. Other households and NPISH	**8,784,260**	**7,672,835**	**1,111,424**	-
5.1 Households	8,784,260	7,672,835	1,111,424	-
5.2 Consumption	-	-	-	-
5.3 Other purposes	-	-	-	-
TOTAL	**9,255,977**	**8,141,178**	**1,114,349**	**449**

The concentration of risks by activity and geographical area of the Group at December 31, 2023 was as follows:

CONCENTRATION OF RISKS BY ACTIVITY AND GEOGRAPHICAL AREA (Carrying value t in thousands of euros)	TOTAL 31.12.2024	Spain	Rest of the European Union	The Americas
TOTAL ACTIVITY				
1. Credit institutions	**203,724**	**200,524**	**3,200**	-
2. Public Administrations	**228,139**	**228,139**	-	-
3. Other financial institutions	-	-	-	-
4. Non-financial companies and sole proprietorships	**6,801**	**6,267**	-	**534**
4.1 Construction and real estate development	6,267	6,267	-	-
4.2 Construction of civil works	-	-	-	-
4.3 Other purposes	**534**	-	-	**534**
4.3.1 Large companies	-	-	-	-
4.3.2 SMEs and sole proprietorships	534	-	-	534
5. Other households and NPISHs	**9,338,054**	**8,195,297**	**1,142,757**	-
5.1 Dwellings	9,338,054	8,195,297	1,142,757	-
5.2 Consumption	-	-	-	-
5.3 Other purposes	-	-	-	-
TOTAL	**9,776,719**	**8,630,227**	**1,145,957**	**534**

Credit risk mitigation

The Audit and Risk Committee of the subsidiary Unión de Créditos Inmobiliarios, EFC and the Internal Audit Department have among their functions to ensure adequate compliance with risk control policies, methods and procedures, ensuring that these are adequate, effectively implemented and regularly reviewed.

In the internal audits of the Risk policies, the customer's payment capacity and the approach to a better customer profile are reviewed, analyzing that the granting of credit is in line with the internal policies of the UCI Group, the guidelines set by the Board of Directors, compliance with the solvency assessment based on the Guidelines of the EBA (European Banking Authority), the Circulars of the Bank of Spain and any other regulations that may be applicable.

Restructuring and refinancing policy

The UCI Group, as part of a responsible credit and recovery policy, has established a corporate policy that refers to those operations in which the customer has presented, or is expected to present, difficulties in meeting its payment obligations under the current contractual terms and, for this reason, it may be advisable to temporarily modify the current operation or even formalize a new one.

This policy is applicable to the countries in which UCI operates and to all customers, adapting to local needs and regulations and always subordinate to compliance with any local regulations that may be applicable. Among its principles are the following:

The solutions proposed to the customer must be used appropriately, without their use detracting from the recognition of unpaid debts.

The solution should be focused on the recovery of all amounts due, recognizing as soon as possible the amounts that, if any, are considered unrecoverable. Delaying the immediate recognition of losses would be contrary to good management practices.

The restructuring will be designed from a perspective of integral management of the client.

In the event that the client has more than one operation with UCI, the following aspects must be taken into account:

- The client's risk will be evaluated as a whole, regardless of the situation of each individual loan.
- If possible, all operations will be grouped together and provided with the highest possible level of guarantees.
- The determination of the monthly charges will be adjusted to the monthly payments of all your loans. all the family unit's consolidatable income will also be added together to verify that the stress rate is as proportionate as possible,
- The proposed solution will generally involve the cancellation of all available undrawn amounts.

An operation may be restructured several times (concatenation)

- Within UCI's current policy regarding the Acceptance of Restructurings, a distinction can be made between temporary restructuring, long-term solutions and definitive solutions. In the case of temporary restructuring, there may be a succession of restructurings, but it must be conditioned to the correct payment behavior of the previous one, or if, due to a change in personal/labor/economic circumstances, it is sufficiently proven that the default is due to these, in accordance with the new situation of the client.

The restructuring or refinancing must not involve an increase in the risk with the client

- The proposed solution must not involve the granting of additional financing to the customer, nor serve to finance other debts, nor be used as a cross-selling tool.

- In refinancing operations, an increase in the amount necessary to meet the formalization expenses may be admitted when it is demonstrated that the proposed installment can be paid, or new guarantees are provided.

- The restructuring or refinancing must always contemplate the maintenance of the existing guarantees and, if possible, improve them and/or extend the coverage they provide. New guarantees, collateral or security interests will not only serve to mitigate the LGD, but may also reduce the probability of default.

Condition of payment of ordinary interest

The installments fixed in the restructuring operation should generally cover, as a minimum, the ordinary interest of the operation. Interest grace periods must be adequately justified according to the risk of the operation.

Precautions to be taken in restructurings and refinancings

- When evaluating the suitability of the proposed solution, it is necessary to ensure that the results of the proposal exceed those that would foreseeably be obtained if the debt were not renegotiated.

- The analysis of guarantees and possible future developments is a particularly relevant element in the evaluation of restructuring and refinancing operations.

- Avoid that the possibility of a solution does not provide an incentive to default.

- If debt restructuring and refinancing products provide more advantageous conditions for the customer than ordinary operations, there is a certain risk that the customer will see an advantage in not meeting his obligations. For this reason, UCI's policy and products are designed to avoid conveying to the customer that non-compliance with obligations is rewarded.

- The application of rigorous and selective criteria is particularly relevant in mass and/or public transactions.

Traceability of operations

- It is necessary for the systems to keep a record of the operations that have been subject to restructuring, in order to identify them as cases in which the client has had difficulties. All source data that may be required at a later date should be taken into account.

- The systems identify those operations whose origin has been a restructuring or refinancing process, in order to differentiate them adequately from those originated in an ordinary admission process and to be able to make a differentiated analysis of both types of operations.

- The Entity keeps a record of the relationship between the original transactions and the new ones, if any, allowing it to determine the distribution of the debt among the different original transactions.

Restructuring or refinancing may not lead to an improvement in the rating as long as there is no satisfactory experience with the client.

- Rating improvements may be applied provided that a minimum relationship has been maintained with the client to ensure reasonable knowledge of the new situation.

- This relationship must be sufficiently satisfactory and must allow us to verify an acceptable improvement in the client's payment capacity.

Restructuring or refinancing transactions in the normal risk category shall remain identified as such until they are terminated if the conditions defined in section 100 of Annex IX of Circular 4/2017 are not met.

- That it has been concluded, after a thorough review of the holder's equity and financial situation, that it is not foreseeable that it may have financial difficulties.

- That a minimum period of two years has elapsed from the date of formalization of the refinancing or restructuring operation, or, if later, from the date of reclassification from the doubtful risk category.

- The holder must have paid the principal and interest accrued since the date on which the refinancing or restructuring operation was formalized, or, if later, since the date of reclassification from the doubtful category. Additionally, it will be necessary

  - That the holder has paid through regular payments an amount equivalent to all the amounts (principal and interest) that were due on the date of the refinancing or restructuring operation, or that were written off as a result of it, or

  - That other objective criteria have been verified to demonstrate the holder's payment capacity, when this is more appropriate in view of the characteristics of the transactions.

  Therefore, the existence of contractual clauses that delay repayment, such as grace periods for the principal, will imply that the operation will remain identified as refinancing, refinanced or restructured until the criteria described in this letter are met.

- That the holder does not have any other operation with amounts overdue more than thirty days at the end of the trial period.

Therefore, when all the above requirements are met, the transactions will no longer be identified in the financial statements as refinancing, refinanced or restructured transactions, without prejudice to the information on the changes made to the transactions being duly recorded in the entity's databases, in application of the principle of traceability, and declared to the Central Credit Register.

Quantitative information required by Bank of Spain Circular 6/2012.

The credit risk management policies and procedures applied by the Group guarantee a detailed monitoring of borrowers, highlighting the need to make provisions when there is evidence of deterioration in their solvency. Therefore, the Group establishes the required loan loss provisions for those transactions in which the borrower's situation so requires before formalizing the restructuring/refinancing transactions, which should be understood as follows:

- Refinancing operation: an operation used for economic or legal reasons related to financial difficulties (current or foreseeable) of the holder to cancel one or more operations granted, by the entity itself or by other entities of its group, to the holder or to one or more other companies of its economic group, or whereby said operations are brought totally or partially up to date with payment, in order to facilitate the holders of the cancelled or refinanced operations the payment of their debt (principal and interest) because they cannot, or it is foreseen that they will not be able to, comply in due time and form with their conditions.

- Refinanced operation: an operation that is fully or partially brought current as a result of a refinancing operation carried out by the entity.

- Restructured transaction: the financial conditions of a transaction are modified for economic or legal reasons related to the holder's current or foreseeable difficulties, in order to facilitate the payment of the debt (principal and interest) because the holder is unable, or is expected to be unable, to comply in due time and form with said conditions, even if said modification was foreseen in the contract. In any case, operations are considered as restructured when their conditions are modified to lengthen their maturity, vary the amortization table to reduce the amount of the installments in the short term or reduce their frequency, or establish or lengthen the grace period of principal, interest or both, unless it can be proven that the conditions are modified for reasons other than the financial difficulties of the holders and are analogous to those that would be applied by other entities in the market for similar risks.

If a transaction is classified in a certain risk category, the refinancing transaction does not imply an improvement in the risk consideration of the same. The initial classification of refinanced transactions is established based on their characteristics, mainly the existence of financial difficulties in the borrower and the existence of certain clauses such as extended grace periods. As a general rule, the Group classifies refinancings and restructurings with normal risk under special surveillance, unless they meet the criteria for classification as doubtful. In addition, the Entity presumes that a restructuring or refinancing exists in the following circumstances: When all or part of the payments of the modified transaction have been overdue for more than 30 days (without being classified as doubtful risk) at least once in the three months prior to its modification, or would have been overdue for more than 30 days without such modification.

- When, simultaneously with the granting of additional financing, or in the near future, the holder has made principal or interest payments on another transaction, all or part of which payments have been overdue for more than 30 days at least once in the three months prior to refinancing.

- When the use of implicit restructuring or refinancing clauses is approved with debtors who have amounts to be paid overdue for 30 days or who would be overdue for 30 days if such clauses were not exercised.

This typology of transactions is specifically identified in the information system in a manner that allows for proper accounting classification and follow-up.

Operations classified in this category may be reclassified to normal risk if the causes that led to their classification as normal risk under special surveillance disappear.

Their respective hedges as of December 31, 2024 and December 31, 2023 are as follows:

	2024							
	TOTAL (Thousands of euros)							
	Full mortgage real estate collateral		Other collateral		Not collateralized		Accumulated impairment or accumulated fair value losses due to credit risk	Maximum amount of collateral that can be taken into account
	Number of transactions	Gross amount	Number of transactions	Gross amount	Number of transactions	Gross amount		
1 - Credit institutions	-	-	-	-	-	-	-	-
2 - Public Administrations	-	-	-	-	-	-	-	-
3 - Other financial companies and sole proprietors (financial business activity)	-	-	-	-	-	-	-	-
4 - Non-financial companies and sole proprietorships (non-financial business activity)	-	-	-	-	-	-	-	-
Of which: Financing of construction and real estate development (including land)	-	-	-	-	-	-	-	-
5 - Other households	13,069	1,475,948	-	-	525	12,901	195,597	1,293,252
Total	**13,069**	**1,475,948**	**-**	**-**	**525**	**12,901**	**195,597**	**1,293,252**

	2024							
	Of which: Doubtful (Thousands of euros)							
	Full mortgage real estate collateral		Other collateral		Without collateral		Accumulated impairment or accumulated fair value losses due to credit risk	Maximum amount of collateral that can be considered as collateral for the loan
	Number of transactions	Gross amount	Number of transactions	Gross amount	Number of transactions	Gross amount		
1 - Credit institutions	-	-	-	-	-	-	-	-
2 - Public Administrations	-	-	-	-	-	-	-	-
3 - Other financial compa-nies and sole proprietorships (financial business activity)	-	-	-	-	-	-	-	-
4 - Non-financial companies and sole proprietorships (non-financial business activity)	-	-	-	-	-	-	-	-
Of which: Financing of construction and real estate development (including land)	-	-	-	-	-	-	-	-
5 - Other households	7,664	904,869	-	-	300	8,190	177,923	735,137
Total	**7,664**	**904,869**	**-**	**-**	**300**	**8,190**	**177,923**	**735,137**

	2023							
	TOTAL (Thousands of euros)							
	Full mortgage real estate collateral		Other collateral		Without collateral		Accumulated impairment or accumulated fair value losses due to credit risk	Maximum amount of collateral that can be considered as collateral for the loan
	Number of transactions	Gross amount	Number of transactions	Gross amount	Number of transactions	Gross amount		
1 - Credit institutions	-	-	-	-	-	-	-	-
2 - Public Administrations	-	-	-	-	-	-	-	-
3 - Other financial companies and sole proprietors (financial business activity)	-	-	-	-	-	-	-	-
4 - Non-financial companies and sole proprietorships (non-financial business activity)	-	-	-	-	-	-	-	-
Of which: Financing of construction and real estate development (including land)	-	-	-	-	-	-	-	-
5 - Other households	15,772	1,799,313	-	-	563	13,851	239,729	1,573,435
Total	**15,772**	**1,799,313**	-	-	**563**	**13,851**	**239,729**	**1,573,435**

	2023							
	Of which: Doubtful (Thousands of euros)							
	Full mortgage real estate collateral		Other collateral		Without collateral		Accumulated impairment or accumulated fair value losses due to credit risk	Maximum amount of collateral that can be considered as collateral for the loan
	Number of transactions	Gross amount	Number of transactions	Gross amount	Number of transactions	Gross amount		
1 - Credit institutions	-	-	-	-	-	-	-	-
2 - Public Administrations	-	-	-	-	-	-	-	-
3 - Other financial companies and sole proprietors (financial business activity)	-	-	-	-	-	-	-	-
4 - Non-financial corporations and sole proprietorships (non-financial business activity)	-	-	-	-	-	-	-	-
Of which: Financing of construction and real estate development (including land)	-	-	-	-	-	-	-	-
5 - Other households	10,141	1,212,812	-	-	334	9,116	220,202	1,001,726
Total	**10,141**	**1,212,812**	-	-	**334**	**9,116**	**220,202**	**1,001,726**

The amount of transactions that, subsequent to refinancing or restructuring, have been classified as doubtful in 2024 and 2023 is as follows:

OUTSTANDING BALANCES OF REFINANCING AND RESTRUCTURING TRANSACTIONS 12/31/2024	(thousands of euros)						TOTAL	
	Full real estate mortgage collateral		Other collateral		Without collateral			
	No. of transactions	Gross amount	No. of transactions	Gross amount	No. oper.	Gross amount	No. oper.	Gross amount
Households	**1,692**	**149,273**	**-**	**-**	**126**	**2,078**	**1,818**	**151,351**
Of which: loans secured by residential real estate	1,692	149,273	-	-	126	2,078	1,818	151,351
Non-financial companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Of which: small and medium-sized enterprises	-	-	-	-	-	-	-	-
Total	**1,692**	**149,273**	**-**	**-**	**126**	**2,078**	**1,818**	**151,351**

OUTSTANDING BALANCES OF REFINANCING AND RESTRUCTURING TRANSACTIONS 12/31/2023	(thousands of euros)						TOTAL	
	Full real estate mortgage collateral		Other collateral		Without collateral			
	No. of transactions	Gross amount	No. of transactions	Gross amount	No. oper.	Gross amount	No. oper.	Gross amount
Households	**1,848**	**171,883**	**-**	**-**	**89**	**1,360**	**1,937**	**173,243**
Of which: loans secured by residential real estate	1,848	171,883	-	-	89	1,360	1,937	173,243
Non-financial companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Of which: small and medium-sized enterprises	-	-	-	-	-	-	-	-
Total	**1,848**	**171,883**	**-**	**-**	**89**	**1,360**	**1,937**	**173,243**

The breakdown of doubtful and non-doubtful exposures refinanced or restructured, according to the number of days elapsed since maturity at December 31, 2024 and December 31, 2023 is as follows:

	2024											
	TOTAL (thousands of euros)											
		Exposures Not in doubt			Doubtful exposures							
	Total	Total	Not past due or Past due <= 30 days	Past due› 30 days <= 90 days	Total	Unlikely to pay not due or overdue <= 90 days	Past due › 90 days <= 180 days	Past due › 180 days <= 1 year	Overdue › 1 year <= 2 years	Overdue › 2 years <= 5 years	Expired › 5 years <= 7 years	Past due › 7 years
Credit Entities	-	-	-	-	-	-	-	-	-	-	-	-
Public Administrations	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial companies	-	-	-	-	-	-	-	-	-	-	-	-
Construction and real estate development.	-	-	-	-	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-	-	-	-	-
Other households	1,488,849	575,789	570,298	5,491	913,060	318,240	47,578	60,702	172,768	239,165	45,708	28,899
Total	**1,488,849**	**575,789**	**570,298**	**5,491**	**913,060**	**318,240**	**47,578**	**60,702**	**172,768**	**239,165**	**45,708**	**28,899**

	2023											
	TOTAL (thousands of euros)											
		Exposures Not in doubt			Doubtful exposures							
	Total	Total	Not past due or Past due <= 30 days	Past due› 30 days <= 90 days	Total	Unlikely to pay not due or overdue <= 90 days	Past due › 90 days <= 180 days	Past due › 180 days <= 1 year	Overdue › 1 year <= 2 years	Overdue › 2 years <= 5 years	Expired › 5 years <= 7 years	Past due › 7 years
Credit Entities	-	-	-	-	-	-	-	-	-	-	-	-
Public Administrations	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial companies	-	-	-	-	-	-	-	-	-	-	-	-
Construction and real estate development.	-	-	-	-	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-	-	-	-	-
Other households	1,813,164	591,235	585,081	6,154	1,221,929	591,235	88,910	165,024	200,238	142,769	45,791	43,899
Total	**1,813,164**	**591,235**	**585,081**	**6,154**	**1,221,929**	**591,235**	**88,910**	**165,024**	**200,238**	**142,769**	**45,791**	**43,899**

Total financing granted to customers at December 31, 2024 and December 31, 2023, broken down by counterparty, is as follows:

DISTRIBUTION OF CUSTOMER LOANS BY ACTIVITY (Carrying amount in thousands of euros) At December 31, 2024				Secured loans. Loan to value				
(thousands of euros)	TOTAL	Of which: Real estate guarantee	Of which: Other collateral	LTV<=40	40%< LTV<=60% 60%< LTV<=80	60%< LTV<=80	80%< LTV<=100	LTV>100% LTV>100
1 Public Administrations	-	-	-	-	-	-	-	-
2 Other financial institutions	-	-	-	-	-	-	-	-
3 Non-financial companies and sole proprietorships	**6,643**	**6,107**	-	**503**	**1,682**	**3,147**	-	**775**
3.1 Construction and real estate development	6,183	6,107	-	503	1,682	3,147	-	775
3.2 Construction of civil works	-	-	-	-	-	-	-	-
3.3 Other purposes	460	-	-	-	-	-	-	-
3.3.1 Large companies	-	-	-	-	-	-	-	-
3.3.2 SMEs and sole proprietorships	460	-	-	-	-	-	-	-
4 Rest of households and NPISHs	**8,784,260**	**8,606,963**	-	**1,805,813**	**2,681,149**	**2,610,427**	**1,068,771**	**440,803**
4.1 Housing	8,784,260	8,606,963	-	1,805,813	2,681,149	2,610,427	1,068,771	440,803
4.2 Consumption	-	-	-	-	-	-	-	-
4.3 Other purposes	-	-	-	-	-	-	-	-
TOTAL	**8,790,903**	**8,613,070**	-	**1,806,316**	**2,682,831**	**2,613,574**	**1,068,771**	**441,578**
PRO MEMORANDUM	-	-	-	-	-	-	-	-
Refinancing, refinanced and restructured operations	**1,488,849**	**1,475,948**	-	**116,976**	**279,944**	**365,512**	**299,881**	**413,635**

DISTRIBUTION OF CUSTOMER LOANS BY ACTIVITY (Carrying amount in thousands of euros) As of 12.31.2023				Secured loans. Loan to value				
(thousands of euros)	TOTAL	Of which: Real estate guarantee	Of which: Other collateral	LTV<=40	40%< LTV<=60% 60%< LTV<=80	60%< LTV<=80	80%< LTV<=100	LTV>100% LTV>100
1 Public Administrations	-	-	-	-	-	-	-	-
2 Other financial institutions	-	-	-	-	-	-	-	-
3 Non-financial companies and sole proprietorships	**6,801**	**6,267**	-	**316**	**1,979**	**1,903**	**829**	**1,240**
3.1 Construction and real estate development	6,267	6,267	-	316	1,979	1,903	829	1,240
3.2 Construction of civil works	-	-	-	-	-	-	-	-
3.3 Other purposes	534	-	-	-	-	-	-	-
3.3.1 Large companies	-	-	-	-	-	-	-	-
3.3.2 SMEs and sole proprietorships	534	-	-	-	-	-	-	-
4 Rest of households and NPISHs	9,338,054	9,150,484	-	1,843,792	2,859,708	2,761,059	1,227,454	458,470
4.1 Housing	9,338,054	9,150,484	-	1,843,792	2,859,708	2,761,059	1,227,454	458,470
4.2 Consumption	-	-	-	-	-	-	-	-
4.3 Other purposes	-	-	-	-	-	-	-	-
TOTAL	**9,344,855**	**9,156,750**	-	**1,844,108**	**2,861,687**	**2,762,962**	**1,228,283**	**459,710**
PRO MEMORANDUM	-	-	-	-	-	-	-	-
Refinancing, refinanced and restructured operations	**1,813,164**	**1,799,313**	-	**141,744**	**362,145**	**449,734**	**351,611**	**494,079**

14

Market risk management

The UCI Group manages, in the markets and treasury area, the market risks affecting the assets or liabilities managed. The Board of Directors periodically establishes the delegated limits and verifies their proper application. Loss limits and other control measures are also established. Limits are managed using a wide range of indicators and warning signals aimed at anticipating and adequately monitoring interest rate and liquidity risks.

Interest Rate Gap on Assets and Liabilities

The UCI Group performs sensitivity analyses of the Financial Margin to interest rate variations, which are analyzed in a Committee that meets twice a month for this purpose. This sensitivity is conditioned by the mismatches in maturity dates and interest rate reviews that occur between the various balance sheet items, or off-balance sheet with securitization funds, which represent a cash-flow mismatch for the entity. Investments are managed through hedging to keep these sensitivities within the target range set by the Committees. The measures used by the UCI Group to control interest rate risk are the interest rate gap and the sensitivities of the financial margin of the managed portfolio.

The interest rate gap analysis deals with the mismatches between the repricing terms of assets and liabilities under management, and allows the detection of interest risk concentrations in the different terms.

The sensitivity of the net interest margin measures the impact on the result of interest rate gaps for a given maturity in the event of a shift in the interest rate curve.

The main interest rate sensitive asset item relates to the on-balance sheet customer portfolio, of which 58.46% is at variable rate (63.19% at December 31, 2023), 26.54% at mixed rate (22.91% at December 31, 2023), with a first period at fixed rate and then revisions to variable rate, and 15.00% strictly at fixed rate % (13.90% at December 31, 2023).

Within the floating rate loans, 82.42% (82.5% at December 31, 2023) have their rate reviewed every six months and 17.58% (17.50% at December 31, 2023) on an annual basis.

Interest rate risk management is based on two central objectives: firstly, to mitigate the impact of interest rate fluctuations on net interest income and, secondly, to preserve the Group's economic value. To this end, the UCI Group deploys a strategic mix of financial instruments to achieve these goals, including asset-backed securities in the Spanish market, cash drawdowns with its shareholders in Spain, Portugal and Greece, and financial derivatives also entered into with its shareholders, such as interest rate swaps (IRS) or Call Money Swaps.

The UCI Group performs sensitivity analyses of the financial margin to interest rate variations, which are analyzed by a Committee that meets periodically. This sensitivity is conditioned by the mismatches in maturity dates and interest rate reviews that occur between the various balance sheet items, or off-balance sheet with securitization funds, which represent a cash-flow mismatch for the entity. At December 2024, the sensitivity of the margin to variations of 100 bps in the interest rate curve was -6.69% (-5.71% in 2023).

Investments are managed through hedging in order to keep these sensitivities within the target range set by the Committees. The measures used by the UCI Group to control interest rate risk are the interest rate gap and the sensitivities of the net interest margin of the managed portfolio.

Liquidity Risk

The management and control of liquidity risk aims to ensure compliance with payment commitments under the best possible conditions for the UCI Group in the different countries in which it operates.

Liquidity risk is associated with the Group's ability to finance its commitments at reasonable market prices and to carry out its business plans with stable sources of financing. The measure used to control liquidity risk is the liquidity gap, which provides information on contractual cash inflows and outflows over the life of the loans.

To mitigate liquidity risk, UCI has had a recurring policy since its inception of tapping the capital markets through the securitization of its credit assets. Thus, the holders of the securitization bonds placed in the capital markets hedge the liquidity of these transactions until maturity. Since 1994, UCI has issued 31 securitization funds in Spain (31 funds issued at December 31, 2023) for an initial aggregate amount of approximately €20.6 billion (€20.6 billion at December 31, 2023), mostly placed on the capital markets, pertaining to the issues of RMBS UCI 1 to 19 and Prado I to Green Prado XI. In Portugal as of March 2020, RMBS Green Belem 1 and RMBS Belem 1.

Together at December 2024, they represented an outstanding balance of €3,284 million (€3,838 million at December 31, 2023) or 36.8% of the overall balance managed in Spain and Portugal financed to maturity by the capital markets (40.8% in 2023).

On September 16, 2024, the decision was taken to purchase the mortgage participations and subsequently to proceed with the extinction of the FTA Fund UCI 11. The Prado family bonds as well as the Belem bonds are ECB eligible assets at the end of December 2024.

On March 15, 2023 and September 15, 2023, respectively, the decision was made to purchase the mortgage participations and subsequently proceed with the extinction of the Prado V and Prado VI funds.

As a consequence of the need to have two ratings with a minimum grade of at least "A" awarded by two different rating agencies in order to qualify as eligible assets in the ECB's liquidity operations, most of the asset-backed securities have lost this status. However, the Prado VI (series A), VII (series A) , VIII (series A), IX (series A), X (series A and B) and XI (series A, B and C) bonds, as well as the series A and B of Belem 1 and Belem 2, are eligible assets at the end of December 2023.

At the end of December 2024, the bonds of Prado VII (series A and B), Prado VIII (series A, Z and B), Prado IX (series A and B), Prado X (series A and B) and Green Prado XI (series A, B and C) as well as the series A and B of Belem 1 and Belem 2, are eligible assets.

Finally, it should be noted that the UCI Group carries out repo transactions, in which it provides as collateral the bonds it has retained or repurchased. The main counterparties are BNP Paribas, Banco de Santander and Merryl Lynch Bank of America.

For the remaining assets on the balance sheet, the UCI Group manages refinancing with cash lines with its two reference shareholders, BNP Paribas and Banco de Santander; the UCI Group's branch in Portugal is financed directly with its parent company in Spain.

The liquidity gap considers the classification of the outstanding capital of financial assets and liabilities by maturity, taking as a reference the periods remaining between the date to which it refers and their contractual maturity dates. At December 31, 2024 and 2023, the liquidity gap is as follows:

12/31/2024 (Thousands of euros)	Up to 1 month	Between 1 and 3 Months	Between 3 and 12 Months	Between 1 and 3 Years	Between 3 and 5 Years	More than 5 Years	**Total**
ASSETS:							
Cash, cash balances at central banks and other demand deposits	-	-	-	-	-	-	-
Cash	1	-	-	-	-	-	1
Other demand deposits	147,767	-	-	-	-	-	147,767
Financial assets at amortized cost:							
Due from credit institutions	133,680	114,976					248,656
Loans and advances	31,905	69,534	338,663	1,207,494	1,276,188	6,008,220	8,932,004
Debt securities	-	28,264	26,100	14,286	-	-	68,650
Total Assets	**313,353**	**212,774**	**364,763**	**1,221,780**	**1,276,188**	**6,008,220**	**9,397,078**
LIABILITIES:							
Deposits from credit institutions	778,294	2,378,035	3,285,275	536,904	80,000	81,760	7,140,268
Customer deposits - shares issued	5,637	11,274	43,485	231,921	231,921	1,408,434	1,932,672
Subordinated Liabilities	45,554	-	-	-	80,000	70,000	195,554
Other financial liabilities	86	172	664	3,543	3,543	21,521	29,529
Total Liabilities	**829,571**	**2,389,481**	**3,329,424**	**772,368**	**395,464**	**1,581,715**	**9,298,022**
Difference Assets minus Liabilities	**(516,218)**	**(2,176,707)**	**(2,964,661)**	**449,412**	**880,724**	**4,426,505**	**99,056**

31.12.2024	Hasta 1 mes	Entre 1 y 3 Meses	Entre 3 y 12 Meses	Entre 1 y 3 Años	Entre 3 y 5 Años	Más de 5 Años	Total
ASSETS:							
Cash, cash balances at central banks and other demand deposits	-	-	-	-	-	-	-
Cash	3	-	-	-	-	-	3
Other demand deposits	203,721	-	-	-	-	-	203,721
Financial assets at amortized cost:	**24,010**	**100,280**	**365,742**	**933,698**	**960,389**	**7,394,996**	**9,779,115**
Loans and advances	24,010	48,019	216,088	907,474	960,389	7,394,996	9,550,976
Debt securities	-	52,261	149,654	26,224	-	-	228,139
Total Assets	**227,734**	**100,280**	**365,742**	**933,698**	**960,389**	**7,394,996**	**9,982,839**
LIABILITIES:							
Deposits from credit institutions	757,369	1,724,211	4,395,772	161,227	6,425	12,460	7,057,465
Customer deposits - shares issued	7,018	14,035	54,137	288,728	288,728	1,753,422	2,406,068
Subordinated Liabilities	-	-	-	-	80,000	104,704	184,704
Other financial liabilities	95	190	734	3,914	3,914	23,772	32,620
Total Liabilities	**764,482**	**1,738,437**	**4,450,642**	**453,869**	**379,068**	**1,894,359**	**9,680,857**
Difference Assets minus Liabilities	**(536,748)**	**(1,638,157)**	**(4,084,901)**	**479,828**	**581,321**	**5,500,637**	**301,982**

The average annual interest rate applied to loans and advances - customers was 4.20% in 2024 and 3.82% in 2023 excluding “valuation adjustments”. On the other hand, the average annual interest rate borne by the Group in 2024 and 2023 was 4.21% and 3.27%, respectively.

15

Other market risks: operational risk management

The UCI Group is closely monitoring the evolution of the regulations on this risk set out in the Basel II agreements approved in June 2004, and is making progress in its project to identify, mitigate, manage and quantify operational risk. In this respect, as part of the ISO 9001:2000 global quality certification project, we have continued with the computerization of all risk events and incidents of all types, creating a database that will enable us to model and quantify the level of operational risk present in all business and support areas in the future.

The analysis of the losses collected in the database of losses and incidents has made it possible to introduce improvements in controls and procedures with immediate results in the reduction of losses derived from operational risk.

The parameterization of the different types of operational risk can be classified according to the following matrix:

Type	**Origin**
Processes	Operational errors, human error
Fraud and activities	Criminal acts, unauthorized activities, internal unauthorized activities
Technology	Computer, application or communications technology failures
Human resources	Failures in Human Resources policy, occupational health and safety, etc.
Business practices	Product defects and poor sales practices
Disasters	Events (natural, accidents or provoked)
Suppliers	Non-compliance with contracted services

16

Cash, cash balances at central banks and other demand deposits

The composition of the balance of the caption “cash, cash balances at central banks and other demand deposits” is shown below:

	12/31/2024	12/31/2023
Cash	1	3
Other demand deposits	147,767	203,721
	147,768	**203,724**

The entire amount of this caption due to the maturity of the residual term is considered to be on demand. The interest accrued during the year on the balances deposited on demand amounted to 2,302 thousand euros (2,764 thousand euros in 2023).

17

Financial assets at amortized cost

Below is a breakdown of the financial assets included in this category at December 31, 2024 and December 31, 2023:

	12/31/2024	12/31/2023
Debt securities	68,650	228,139
Credit institutions	248,656	-
Loans and advances to customers	8,790,903	9,344,855
Total	**9,108,209**	**9,572,994**

Due from credit institutions and debt securities

At December 31, 2024, the nominal amount of debt securities linked to certain own or third-party commitments amounted to 68,650 thousand euros (225,497 thousand euros at December 31, 2023).

At December 31, 2024, the amount granted to credit institutions under the reverse repurchase agreement amounted to EUR 248,656 thousand (EUR 0 thousand at December 31, 2023).

As of December 31, 2024 and 2023, the detail of debt securities and credit institutions in the balance sheets as of December 31, 2024 and 2023 is as follows:

	12/31/2024	12/31/2023
By currency:		
Euros	317,274	224,084
Total	**317,274**	**224,084**
By maturity:		
Up to 1 month	133,309	-
Between 1 month and 3 months	143,579	50,525
Between 3 months and 1 year	26,100	147,459
Between 1 year and 5 years	14,286	26,100
More than< 5 years	-	-
Undetermined maturity	-	-
Total	**317,274**	**224,084**
By Counterparty:		
Spanish Public Administrations	68,651	224,084
Credit institutions	248,623	-
Other resident sectors	-	-
Non-resident general government	-	-
Other non-resident sectors	-	-
Doubtful assets	-	-
Write-downs for impairment of assets	-	-
Total	317,274	224,084
Valuation adjustments accrued interest	**32**	**4,055**
Total	**317,306**	

The average effective interest rate of the debt instruments classified in this portfolio at December 31, 2024 was 3.77% (December 31, 2023: 2.80%). During 2024, these instruments have accrued interest in the amount of 11,007 thousand euros (5,190 thousand euros at December 31, 2023), which is recorded under interest income - financial assets at amortized cost (see note 33). All exposures are recorded in the normal phase and show no signs of impairment.

Loans and advances to customers

Below is a breakdown of the balance of this caption, based on the type and status of the transactions, the borrower's sector of activity, the geographic area of residence and the type of interest rate of the transactions, both at December 31, 2024 and 2023:

	12/31/2024	12/31/2023
By type and status of the loan:		
Other term loans	7,822,151	8,096,170
Doubtful assets	1,109,853	1,454,806
	8,932,004	**9,550,976**
By sector of borrower activity:		
Other resident sectors	7,170,255	7,758,580
Non-residents	1,761,749	1,792,396
	8,932,004	**9,550,976**
By geographic area:		
Spain	7,818,226	8,405,321
Rest of the European Union	1,113,778	1,145,655
	8,932,004	**9,550,976**
By type of interest rate:		
Interest-free financing		
Interest-bearing financing	8,932,004	9,550,976
	8,932,004	**9,550,976**
Impairment losses on assets	(241,322)	(305,085)
Valuation adjustments accrued interest	23,437	27,161
Valuation adjustments for commissions	76,784	71,803
	8,790,903	**9,344,855**

The carrying value recorded in the above table, without considering the portion corresponding to "Other valuation adjustments", due to value corrections for asset impairment and valuation adjustments of commissions, represents the maximum level of exposure to credit risk of the Group in relation to the financial instruments included therein.

During 2024, interest of EUR 23,437 thousand (EUR 27,161 thousand in 2023) has accrued and is receivable.

The detail of the gross balance of loans and advances to customers is as follows:

	12/31/2024	12/31/2023
Resident secured debtors	6,126,323	6,376,864
Non-resident secured loans	1,695,379	1,718,772
Doubtful accounts receivable	1,109,853	1,454,806
Other term accounts receivable	449	534
Sight accounts receivable and sundry accounts receivable	-	-
Total	**8,932,004**	**9,550,976**

The balance of the “Resident secured loans” and “Non-resident secured loans” accounts represents the unmatured risk of loans granted which are secured by mortgages in favor of the Company.

The balance of the “Other term loans” account represents the unmatured risk of loans granted that are not secured by mortgages in favor of the Group.

The breakdown of the “Loans and advances to customers” caption by residual term as of December 31, 2024 and 2023, in thousands of euros, is as follows:

	12/31/2024	12/31/2023
Up to 1 month	31,905	23,519
Between 1 and 3 Months	69,534	46,990
Between 3 and 12 Months	338,663	211,459
Between 1 and 3 Years	1,207,494	950,087
Between 3 and 5 Years	1,276,188	929,520
More than 5 Years	6,008,220	7,389,401
	8,932,004	**9,550,976**

Below is a breakdown of the movement in gross exposure by phase of impairment of loans and advances from customers recorded under “Financial assets at amortized cost” under Circular 4/2017 for fiscal year 2024 and fiscal year 2023 without taking into account valuation adjustments corresponding to accrued interest and commissions:

	Thousands of Euros			
	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year 2024	**7,371,893**	**724,277**	**1,454,806**	**9,550,976**
Movements				
Transfers:	88,116	33,011	(121,127)	-
To Stage 2 from Stage 1	(78,383)	78,383	-	-
To Stage 3 from Stage 1	(39,545)	-	39,545	-
To Stage 1 from Stage 2	199,140	(199,140)	-	-
To Stage 3 from Stage 2	-	(93,750)	93,750	-
To Stage 1 from Stage 3	6,904	-	(6,904)	-
To Stage 2 from Stage 3	-	247,518	(247,518)	-
Net change in financial assets	(331,415)	(63,730)	(116,838)	**(511,983)**
Write-offs	-	-	(106,988)	**(106,988)**
Exchange differences and other movements	-	-	-	-
Balance at year-end 2024	**7,128,594**	**693,558**	**1,109,853**	**8,932,004**

	Thousands of Euros			
	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of 2023	**7,863,189**	**1,100,367**	**1,706,164**	**10,669,720**
Movements				
Transfers:	1,633	(225,595)	223,962	-
To Stage 2 from Stage 1	(177,203)	177,203	-	-
To Stage 3 from Stage 1	(57,650)	-	57,650	-
To Stage 1 from Stage 2	231,167	(231,167)	-	-
To Stage 3 from Stage 2	-	(390,281)	390,281	-
To Stage 1 from Stage 3	5,318	-	(5,318)	-
To Stage 2 from Stage 3	-	218,651	(218,651)	-
Net change in financial assets	(492,929)	(150,495)	(419,861)	**(1,063,285)**
Write-offs	-	-	(55,459)	**(55,459)**
Exchange differences and other movements	-	-	-	-
Balance at year-end 2023	**7,371,893**	**724,277**	**1,454,806**	**9,550,976**

During fiscal years 2024 and 2023, the Group has proceeded to calculate the corresponding provisions on delinquent transactions secured by real estate, taking into account the discounted value of the collateral, and in accordance with the credit risk model based on estimating the credit risk considering the expected loss.

In addition, the Group's Directors in accordance with point four of Transitional Provision one of Circular 4/2019, have performed an update of the reference valuations of all collateral and foreclosed assets or assets received in payment of debts requiring full individual appraisals, in accordance with Order ECO 805/2003 of March 27, in accordance with the provisions of points 78 to 85 and 166 of Annex 9 of Circular 4/2017.

Impaired financial assets

Below is the detail, as of December 31, 2024 and December 31, 2023, classified by segment, of those assets that have been considered both individually and impaired based on the individualized analysis of each one of them, as well as the detail of impaired financial assets based on a collective process of evaluation of possible losses):

	Thousands of euros	
	12/31/2024	12/31/2023
Individuals:		
Guarantees in rem	-	-
Mortgage	1,091,837	1,436,740
Values	-	-
Other	-	-
Without guarantee	11,448	11,498
Promoters:		
Collateral	-	-
Mortgage	6,568	6,568
Total	**1,109,853**	**1,454,806**

Impairment losses

The changes in the balance of provisions for impairment losses on assets included in the caption "financial assets at amortized cost - loans and advances - customers" are shown below:

	Impairment losses (thousands of euros)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances as of January 1, 2024	**(11,888)**	**(23,228)**	**(269,969)**	**(305,085)**
Charged to income for the year	(8,460)	(34,840)	(154,264)	**(197,564)**
Recoveries of provisions credited to income (loss)	13,675	37,625	130,702	**182,002**
Net provisions for the year	**5,214**	**2,785**	**(23,562)**	**(15,562)**
Of which:				
Individually determined	-	-	-	-
Collectively determined	5,214	2,785	(23,562)	(15,562)
Application	116	199	79,010	**79,326**
Balances as of December 31, 2024	**(6,558)**	**(20,244)**	**(214,520)**	**(241,322)**

	Impairment losses (thousands of euros)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balances as of January 1, 2023	**(8,521)**	**(29,168)**	**(244,012)**	**(281,701)**
Charged to income for the year	(15,200)	(45,696)	(216,922)	**(277,818)**
Recoveries of provisions credited to income (loss)	11,881	51,324	144,026	**207,232**
Net provisions for the year	**(3,319)**	**5,628**	**(72,895)**	**(70,586)**
Of which:				
Individually determined	-	-	-	-
Collectively determined	(3,319)	5,628	(72,905)	(70,596)
Application	(48)	312	46,938	**47,202**
Balances as of December 31, 2023	**(11,888)**	**(23,228)**	**(269,969)**	**(305,085)**

In 2024, the item net write-offs due to default and other movements includes the sales of a portion of the non-performing loan portfolio in August and November 2024. Specifically, the non-performing loans portfolio was reduced by 62.46 million, with a high number of defaults, an application of 21 million of provisions covering these loans, and a negative result in the profit and loss account of 19.7 million euros, which was recorded under the profit and loss account heading, “Impairment or (-) reversal of impairment of financial assets not valued at fair value through profit or loss - Financial Assets at Amortized Cost”.

The income statement caption “Impairment or (-) reversal of impairment of financial assets not measured at fair value through profit or loss - Financial Assets at Amortized Cost” includes an amount of 11,828 thousand euros in 2024 (69,047 thousand euros in 2023) which includes the net effect of allocations and recoveries of provisions for credit risk in the amount of 15,563 thousand euros at 31 December 2024 (69,047 thousand euros in 2023).563 thousand at December 31, 2024 (70,586 thousand euros in 2023), including the result of the portfolio sale indicated above , as well as 3,735 thousand euros corresponding to recoveries of written-off assets at December 31, 2024 (1,539 thousand euros at December 31, 2023).

Below is a breakdown of the movement in the gross amount of the allowance for bad debts on loans and advances from customers recorded under the heading Financial assets at amortized cost under Bank of Spain Circular 4/2019 for 2024 and 2023:

	Thousands of euros			
	Phase 1	**Phase 2**	**Phase 3**	**Total**
Balance at beginning of year 2024	**11.888**	23.228	**269.969**	**305.085**
Transfers:	233	(211)	(7,425)	**(7,403)**
To Stage 2 from Stage 1	(531)	1,975	-	**1,443**
To Stage 3 from Stage 1	(411)	-	3,152	**2,741**
To Stage 1 from Stage 2	1,138	(5,383)	-	**(4,245)**
To Stage 3 from Stage 2	-	(5,290)	8,993	**3,704**
To Stage 1 from Stage 3	37	-	(413)	**(376)**
To Stage 2 from Stage 3	-	8,487	(19,157)	**(10,671)**
Net change in exposure and changes in credit risk	(5,563)	(2,773)	58,964	50,628
Write-offs	-	-	(106,988)	**(106,988)**
Exchange differences and other movements	-	-	-	-
Balance at year-end 2024	**6,558**	**20,244**	**214,520**	**241,322**

	Thousands of euros			
	Phase 1	**Phase 2**	**Phase 3**	**Total**
Balance at beginning of year 2023	**8.521**	29.168	**244.012**	**281.701**
Transfers:	1,329	(7,931)	25,594	**18,992**
To Stage 2 from Stage 1	(628)	4,965	-	**4,337**
To Stage 3 from Stage 1	(300)	-	4,444	**4,144**
To Stage 1 from Stage 2	2,187	(4,333)	-	**(2,146)**
To Stage 3 from Stage 2	-	(17,020)	39,897	**22,877**
To Stage 1 from Stage 3	70	-	(682)	**(612)**
To Stage 2 from Stage 3	-	8,457	(18,065)	**(9,608)**
Net change in exposure and changes in credit risk	2,039	1,990	47,565	51,594
Write-offs	-	-	(47,201)	**(47,201)**
Exchange differences and other movements	-	-	-	-
Balance at year-end 2023	**11,888**	**23,228**	**269,969**	**305,085**

During fiscal years 2024 and 2023, the Group refinanced or renegotiated outstanding customer debt (see Note 13).

Financial assets past due and not impaired

The detail of financial assets past due and not considered impaired by the Entity at December 31, 2024 and December 31, 2023, classified by type of financial instrument, is as follows:

	Thousands of euros	
	12/31/2024	**12/31/2023**
By class of counterparty	**1,573**	**2,163**
Public authorities	-	-
Other resident sectors	1,292	1,862
Other non-resident sectors	281	301
Total	**1,573**	**2,163**

Credit risk with construction and real estate development

At December 31, 2024 and 2023, financing for construction and real estate development amounted to 8,802 and 9,809 thousand euros, respectively, of which 6,568 thousand were impaired assets, the same amount in 2023.

The above figures relate to financing granted for the purpose of construction and real estate development. Consequently, and in accordance with Bank of Spain instructions, the debtor's CNAE has not been taken into account. This means, for example, that if the debtor is: (a) a real estate company, but uses the financing granted for purposes other than construction or real estate development, it is not included in these tables, and (b) a company whose main activity is not construction or real estate, but the credit is used to finance real estate for real estate development, it is included in these tables.

Quantitative information on real estate risk at December 31, 2024 and 2023 is as follows, in thousands of euros:

	Thousands of euros		
31/12/2024	**Gross Amount**	**Excess over guarantee value**	**Hedges hedges**
Credit risk	**8,802**	**1,783**	**2,619**
Of which delinquent	6,568	1,466	2,485
Of which normal	2,234	317	134

Quantitative information on real estate risk at December 31, 2023 is as follows, in thousands of euros:

	Thousands of euros		
31/12/2023	**Gross Amount**	**Excess over guarantee value**	**Hedges hedges**
Credit risk	**9,809**	**2,513**	**2,664**
Delinquent	6,568	1,772	2,524
Of which normal	3,241	741	141

The following is a breakdown of real estate credit risk according to the type of associated guarantees:

	12/31/2024	12/31/2023
Without specific guarantee	-	-
With mortgage guarantee	**8,802**	**9,809**
Finished buildings-housing	8,410	9,408
Finished buildings-resto	-	-
Buildings under construction-housing	392	401
Buildings under construction-resto	-	-
Developed land-land	-	-

Retail mortgage portfolio risk

Quantitative information regarding the risk of the gross retail portfolio as of December 31, 2024 and 2023 is as follows:

	12/31/2024	12/31/2023
Loans for home purchase	**8,922,753**	**9,541,512**
Without mortgage guarantee	110,348	82,828
Of which doubtful	11,448	11,498
With mortgage guarantee	8,812,405	9,458,684
Of which doubtful	1,091,837	1,436,740

The loan-to-value (LTV) ranges for the retail mortgage portfolio as of December 31, 2023 were as follows:

	LTV <=40%	40%<LTV<=60%	60% <LTV<=80%	80%<LTV <=100%	LTV >100%	TOTAL
Credit for the acquisition of live homes. With mortgage guarantee	1,801,837	2,677,643	2,621,670	1,115,255	596,000	**8,812,405**
Of which: Doubtful home purchase loan. With mortgage guarantee	79,698	177,660	258,672	221,359	354,448	**1,091,837**

Los rangos de loan to value (LTV) de la cartera hipotecaria minorista al 31 de diciembre de 2023 eran los siguientes:

	LTV <=40%	40%<LTV<=60%	60% <LTV<=80%	80%<LTV <=100%	LTV >100%	TOTAL
Credit for the acquisition of live homes. With mortgage guarantee	1,839,501	2,862,228	2,794,114	1,300,906	661,935	**9,458,684**
Of which: Doubtful home purchase loan. With mortgage guarantee	93,845	239,819	332,327	293,877	476,872	**1,436,740**

Non-performing assets

At December 31, 2024, the total amount of 'Written-off assets' amounted to 85,667 thousand euros (570,612 thousand euros at December 31, 2023).

Thousands of euros		
	2024	2023
Balance at beginning of year	**570,612**	**573,182**
Additions	106,988	55,459
Deregistrations	(591,933)	(58,029)
Ending balance for the year	**85,667**	**570,612**

On September 19, 2024, a massive sale of non-performing assets was carried out for a value of 479,785 thousand euros. This transfer generated a net profit of 1,493 thousand euros, which had a positive impact on the results for the year and was recorded under the heading "Impairment of assets at amortized cost".

Securitization transactions

At December 31, 2004, there were no assets securitized before January 1, 2004 that had been derecognized as the UCI 9 Fund was cancelled in March 2021.

In September 2024, the Step-Up Call of Fund UCI 11 was executed, the assets of which were not removed from the Company's balance sheet, as the risks and rewards were retained. Considering that these assets were already on the books of UCI EFC, the main impacts were the reduction of the shares issued for an amount of 72 million euros and the cancellation of the Series A, B and C Bonds retained by the Company for an amount of 25 million euros. The variable fee charged amounted to 3.6 million euros.

In March 2023, the Step-Up Call of the Prado V Fund was executed, the assets of which were not removed from the Company's balance sheet, as the risks and rewards were retained. Considering that these assets were already on the books of UCI EFC, the main impacts were the reduction of the shares issued for an amount of 260 million euros and the cancellation of the Series B Bonds retained by the Company for an amount of 76 million euros and the cancellation of the subordinated loan granted by the Company for a remaining amount of 6.8 million euros. The variable commission charge amounted to 185 thousand euros.

In September 2023, the Step-Up Call of the Prado VI Fund was executed, the assets of which were not removed from the Company's balance sheet, as the risks and rewards were retained. Considering that these assets were already on the Company's books, the main impacts were the reduction of the shares issued in the amount of 265 million euros and the cancellation of the Series B and C Bonds retained by the Company in the amount of 42.8 million and 34.2 million euros, respectively. In addition, the subordinated loan granted by the Company for a remaining amount of 6.1 million euros was cancelled. The variable commission charge amounted to 412 thousand euros.

In March 2023, the Green Prado XI Securitization Fund was set up for an amount of 490 million euros, of which the Company holds positions in tranches A, B and C, amounting to a total of 141 million euros. The Company also granted the fund a subordinated loan in the amount of 8.25 million euros.

Below is a detail of the balances recorded in the accompanying balance sheets at December 31, 2024 and 2023 associated with the securitization transactions, where the Entity has retained substantial risks and retained substantial advantages:

	12/31/2024	12/31/2023
Asset Securitization Fund UCI 11	-	81,433
Mortgage Securitization Fund UCI 12	97,925	117,400
Asset Securitization Fund UCI 14	182,140	218,439
UCI 15 Asset Securitization Fund	235,325	277,486
UCI 16 Asset Securitization Fund	325,299	380,534
UCI 17 Asset Securitization Fund	286,453	337,185
Securitization Fund, RMBS Prado VII	314,014	350,166
Securitization Fund, RMBS Prado VIII	319,418	355,886
Securitization Fund, RMBS Prado IX	365,121	398,045
Securitization Fund, RMBS Prado X	426,948	468,079
Securitization Fund, RMBS Green Prado XI	405,818	453,571
RMBS Green Belem No.1	133,525	170,393
RMBS Belem No. 2	191,746	240,569
TOTAL	**3,283,732**	**3,849,186**

18

Non-current assets held for sale

This caption includes property, plant and equipment represented by foreclosed assets for the application of unpaid receivables that have been judicially claimed.

The movement of these assets in 2024 and 2023 has been as follows:

	12/31/22	Additions	Reclassification	Disposals	12/31/2023	Additions	Reclassification	Retirements	12/31/2024
Real estate foreclosed	250,035	53,737	(21,129)	(76,710)	205,933	50,156	(5,745)	(96,017)	154,327
Provisions for foreclosed properties	(68,319)	(16,949)	1,496	39,232	(44,540)	(19,501)	1,822	29,574	(32,645)
Total	**181,716**	36,788	(19,632)	(37,478)	**161,393**	30,655	(3,923)	(66,443)	**121,682**

The amount recorded as reclassification corresponds to properties that during 2024 and 2023 have been reclassified to investment property in the balance sheet (Note 19).

The sale of the properties in 2024 resulted in a net gain on the net book value of EUR 7,301 thousand (EUR 6,849 thousand gain in 2023). This amount is recorded under "Gains or (-) losses on non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the accompanying consolidated income statement, including the net gain on sales, which includes both the gain on sales and provisions 19.501 thousand euros and 14,379 thousand euros of recoveries of provisions for non-current assets held for sale (16,949 thousand euros of provisions and 22,769 thousand euros of recoveries on December 31, 2023).

Quantitative information relating to foreclosed assets at December 31, 2024 is as follows:

Thousands of euros	Book entry value	Hedging
Real estate assets from financing to construction and real estate development companies	**2,804**	**(1,300)**
Finished buildings: residential or other	**460**	**(4)**
Buildings under construction: housing or other	-	-
Land: developed land and other	**2,344**	**(1,296)**
Real estate assets from mortgage financing to households for home purchases	**151,523**	**(31,345)**
Other foreclosed real estate assets	-	-
Equity instruments, participations and financing to non-consolidated companies holding such assets	-	-

Quantitative information relating to foreclosed assets as of December 31, 2023 is as follows:

Thousands of euros	Book entry value	Hedging
Real estate assets from financing for construction and property development companies	**2,427**	**(503)**
Finished buildings: residential or other	**375**	-
Buildings under construction: residential or other	-	-
Land: developed land and other	**2,052**	**(503)**
Real estate assets from mortgage financing to households for home purchases	**203,506**	**(44,037)**
Other foreclosed real estate assets	-	-
Equity instruments, participations and financing to non-consolidated companies holding such assets	-	-

The classification of foreclosed assets as of December 31, 2024 and 2023 according to their nature and the period they remain on the balance sheet is as follows:

2024	**Less than 3 years**	**More than 3 years**	**Total**
Finished buildings	59,444	92,539	151,983
Buildings under construction	-	-	-
Land	754	1,590	2,344

2023	**Less than 3 years**	**More than 3 years**	**Total**
Completed buildings	80,413	123,467	203,881
Buildings under construction	-	-	-
Land	822	1,230	2,052

In the write-down of the assets remaining on the balance sheet, Royal Decree 4/2017 has been applied, taking into consideration the appraisals carried out by independent third parties. The valuation methods used in the appraisals are those described in Order ECO/0805/2003 of March 27, on valuation standards for real estate and certain rights for certain financial purposes, as revised by Order EHA/3011/2007 of October 4.

The main companies and agencies with which the Group has worked in Spain during 2024 are as follows: Gloval Valuation, S.A.U., Tinsa Tasaciones Inmobiliarias, S.A.U., Euroval, S.A., and Sociedad de tasación, S.A. (Gloval Valuation, S.A.U., Tinsa Tasaciones Inmobiliarias, S.A.U., Euroval, S.A., and Sociedad de tasación, S.A. in 2022).

The detail of book value and appraisal value for assets from foreclosures and investment property for sale, as of December 31, 2024 and 2023, is as follows:

	31.12.2024		**31.12.2023**	
	12/31/2024	**12/31/2023**	**Value**	**Value of**
Concept	**Net book value**	**Appraisal**	**Net book value**	**Appraisal**
Foreclosed properties	121.682	197.816	161.393	255.298
Total	121.682	**197.816**	**161.393**	**255.298**

Financing transactions on the sale of real estate

During fiscal years 2024 and 2023, as well as during previous fiscal years, the Group has carried out several transactions for the sale of non-current assets for sale and disposal groups, in which it has proceeded to finance the buyer for the amount required by the latter to make this acquisition.

The amount of loans granted by the Group in 2024 to finance this type of transaction amounted to EUR 29,200 thousand (EUR 33,241 thousand in 2023).

The outstanding balance of this type of financing at December 31, 2024 and 2023 amounted to 651,960 thousand euros and 678,857 thousand euros, respectively.

The average percentage financed of transactions of this type, outstanding at December 31, 2024 and December 31, 2023, corresponds to that set by the Group in its credit risk concession policies.

19

Tangible assets

Tangible fixed assets

The breakdown of this caption in the balance sheets as of December 31, 2024 and 2023 is as follows:

Cost (thousands of euros)	12/31/2023	Additions	Disposals	12/31/2024
IT equipment and installations	11,120	874	(1)	11,993
Furniture, vehicles and other fixtures	15,094	192	(469)	14,817
Buildings	-	-	-	-
Works in use	1,412	633	-	2,045
Rights of use	22,241	-	(4,340)	17,901
Total Cost	**49,867**	**1,699**	**(4,810)**	**46,756**
Accumulated Depreciation				
Computer equipment and installations	(9,412)	(428)	-	(9,840)
Furniture, vehicles and other fixtures and fittings	(11,152)	(418)	29	(11,541)
Buildings	-	-	-	-
Works in use	(55)	-	55	-
Rights of use	(4,049)	(2,108)	2,320	(3,837)
Total Accumulated Amortization	**(24,668)**	**(2,954)**	**2,404**	**(25,218)**
Total Net	**25,199**	**(1,255)**	**(2,406)**	**21,538**

Cost (thousands of euros)	12/31/2022	Additions	Retirements	12/31/2023
Computer equipment and installations	11,256	218	(354)	11,120
Furniture, vehicles and other facilities	13,440	2,691	(1,037)	15,094
Buildings	414	-	(414)	-
Works in use	1,195	217	-	1,412
Rights of use	**8,507**	**15,417**	**(1,682)**	**22,241**
Total Cost	**34,812**	**18,543**	**(3,488)**	**49,867**
Accumulated Depreciation				
Computer equipment and installations	(9,297)	(346)	231	(9,412)
Furniture, vehicles and other fixtures and fittings	(10,986)	(541)	375	(11,152)
Buildings	(146)	-	146	-
Works in use	-	(55)	-	(55)
Rights of use	**(6,525)**	**(1,430)**	**3,906**	**(4,049)**
Total Accumulated Amortization	**(26,954)**	**(2,372)**	**4,658**	**(24,668)**
Total, Net	**7,858**	**16,171**	**1,170**	**25,199**

Fully amortized assets total 22,064 thousand euros (21,926 thousand euros in 2023).

The breakdown, according to their nature, of the items comprising the balance of this caption in the balance sheet as of December 31, 2024, is as follows

	Thousands of Euros		
	Cost	Amortization Accumulated	Balance at Net
Computer equipment and installations	11,993	(9,840)	2,153
Furniture, vehicles and other facilities	14,817	(11,541)	3,276
Works in use	2,045	-	2,045
Rights of use	17,901	(3,837)	14,064
Balances as of December 31, 2024	**46,756**	**(25,218)**	**21,538**
Computer equipment and installations	11,120	(9,412)	1,708
Furniture, vehicles and other facilities	15,094	(11,152)	3,942
Works in use	1,412	(55)	1,357
Rights of use	22,241	(4,049)	18,192
Balances as of December 31, 2023	**49,867**	**(24,668)**	**25,199**

Circular 4/2019, indicates that financial credit establishments must apply the accounting criteria defined in Circular 2/2018 for leases. In this regard, the Group has recorded as rights of use, the impact for the lease of the building of the head office in Madrid where it carries out its activity.

In 2023, an addition of €15,417 thousand was recorded for the rights of use of the Group's new headquarters.

At December 31, 2024 and 2023, the Group has no property, plant and equipment, for its own use or under construction, for which there are restrictions on ownership or which have been delivered as security for the fulfillment of debts.

As of December 31, 2024 and 2023, the Group has no commitments to acquire property, plant and equipment from third parties.

In 2024 and 2023, no amounts have been received or are expected to be received from third parties for compensation or indemnities for impairment or loss of value of property, plant and equipment for own use.

The Group has no items of property, plant and equipment for own use that at December 31, 2024 and 2023 are temporarily out of service.

In 2024 and 2023 no amount has been recognized or reversed for impairment of property, plant and equipment.

Investment property

The composition and movements during the year in the accounts included in this caption of the accompanying balance sheet were as follows:

	12/31/2022	Additions	Disposals	12/31/2023	Additions	Retirements	Transfers	12/31/2024
Investment property	141,455	21,129	(9,897)	152,687	13,500	(8,819)	(7,755)	149,613
Accumulated depreciation of investment property	(7,389)	(1,511)	591	(8,309)	(852)	407	66	(8,688)
Impairment adjustments	(7,416)	291	447	(6,678)	1,855	393	12	(4,418)
Total	**126,650**	**19,909**	**(8,860)**	**137,700**	**14,503**	**(8,019)**	**(7,677)**	**136,507**

The additions in 2024 and 2023 correspond to the reclassification of items that were recorded under Non-current assets held for sale in the balance sheet. These are housing units intended for rental operation.

The detail of book value and appraisal value for investment property for sale, as of December 31, 2024 and 2023, is as follows:

	12/31/2024		12/31/2023	
Concept	**Value Net book value**	**Appraised Appraisal**	**Value Net book value**	**Value of Appraisal**
Real estate investments	136,507	215,751	137,700	205,805
Total	**136,507**	**215,751**	**137,700**	**205,805**

Income from investment property held for lease amounted to 4.5 million euros recorded under "Other operating income" in the income statement (3.7 million euros at December 31, 2023) and the related operating expenses for all items amounted to 507 thousand euros (2.643 thousand at December 31, 2023) of which EUR 1,003 thousand correspond to a positive impact of amortization and valuation adjustments (EUR 1,220 thousand net expense at December 31, 2023). These operating expenses are presented in the accompanying income statement according to their nature.

The Group had contracted various insurance policies to cover the risks to which these investments are subject, and the Company considers that the coverage of these policies is sufficient.

20

Intangible assets

The breakdown of this caption in the balance sheets as of December 31, 2024 and 2023 is as follows:

Cost	12/31/2023	Additions	Disposals	12/31/2024
Software	13,763	2,388	(24)	16,127
Total Cost	**13,763**	**2,388**	**(24)**	**16,127**
Accumulated Depreciation				
Software	(9,201)	(1,555)	0	(10,756)
Total Accumulated Amortization	**(9,201)**	**(1,555)**	**0**	**(10,756)**
Total, net	**4,562**	**833**	**(24)**	**5,371**

Cost	12/31/2022	Additions	Retirements	12/31/2023
Software	10,952	3,012	(201)	13,763
Total Cost	**10,952**	**3,012**	**(201)**	**13,763**
Accumulated Depreciation				
Software	(8,498)	(904)	201	(9,201)
Total Accumulated Amortization	**(8,498)**	(904)	201	(9,201)
Total, net	**2,454**	**2,108**	-	**4,562**

7,137 thousand and 7,035 thousand in 2024 and 2023 respectively.

21

Tax assets and liabilities

The breakdown of this caption in the balance sheets as of December 31, 2024 and 2023 is as follows:

	Assets	Assets	Liabilities	Liabilities
	2024	**2023**	**2024**	**2023**
Current taxes	**833**	**658**	**1,738**	**1,603**
Withholdings on account	24	70	-	-
VAT	2	588	679	240
IRPF	-	-	-	1,009
Other	807	-	1,059	354
Deferred taxes	**82,578**	**88,696**	**41,126**	**63,755**
Derivatives	-	-	41,126	63,755
Impairment losses	59,470	65,588	-	-
Tax credits	23,108	23,108	-	-
Other	-	-	-	-

As a result of the current income tax regulations applicable to the Group, in fiscal years 2024 and 2023 certain differences between the accounting and tax criteria have arisen which have been recorded in deferred taxes when calculating and recording the corresponding income tax.

22

Other assets and other liabilities

The detail of the balance of "Other assets" and "Other liabilities" in the accompanying balance sheet as of December 31, 2024 and 2023 is as follows:

	Assets	Assets	Liabilities	Liabilities
	2024	2023	2024	2023
Accruals	2,531	2,400	12,887	13,720
Payable to related entities	-	1	-	-
Cost to be distributed by SRT	14,934	-	-	-
Other items	19,969	31,720	5,593	6,731
TOTAL	**37,434**	**34,121**	**18,480**	**20,451**

Accruals and deferrals mainly include accruals of the Company's general expenses.

Other items include, among other items, prepayments made by the Group, based on its activity in various fields, such as, for example, amounts paid to management companies for the management of its real estate, payments made to attorneys in connection with litigation with its borrowers, transactions with its suppliers, as well as payments to insurance companies for the issue of synthetic securitization (SRT).

Information on payment deferrals made to suppliers - Third additional provision. "Duty of information" of Law 15/2010 of July 5th.

For the purposes of the provisions of the second additional provision of Law 31/2014, of December 3, which amends the Capital Companies Act and in accordance with the Resolution of February 29, 2016 of the Spanish Accounting and Auditing Institute, a detail is included below with the average payment period to suppliers, ratio of transactions paid, ratio of transactions pending payment, total payments made and total payments pending. Given the activities in which the Group entities are engaged, the information

	2024	2023
	Days	Days
Average payment period to suppliers.	3,35	3,02
Ratio of operations paid.	3,25	2,74
Ratio of transactions pending payment.	14,79	35,40
	Amount	**Amount**
Total payments made.	65,537	81,887
Total payments pending.	57	734
Volume of invoices paid within the legal deadline ('000)	76,475	81,200
Number of invoices paid within the legal deadline	65,537	77,410
Percentage of the volume of invoices paid within the legal deadline over the total volume of invoices paid (%)	99.14%	95.38%
Percentage of the number of invoices paid within the legal deadline over the total number of invoices paid (%)	99.91%	99.45%

Given the activities in which the Group engages, the information required on the average payment period corresponds basically to payments for the provision of services and sundry supplies.

The indicated average payment period to suppliers has been obtained considering that the company has established, in general, as fixed payment days to suppliers, the 10th and 25th of each month.

23

Financial liabilities at amortized cost

The detail as of December 31, 2024 and 2023, all in thousands of euros, is as follows:

	12/31/2024	12/31/2023
Deposits from credit institutions		
Loans and advances to credit institutions (note 30)	6,388,738	6,392,505
Assets sold under repurchase agreement	556,202	632,362
Subordinated debt	171,953	184,704
Valuation adjustments	23,375	32,598
Subtotal Due from Credit Institutions	**7,140,268**	**7,242,169**
Debt securities		
Convertible debentures	22,000	104,000
Securities associated with transferred financial assets	1,907,395	2,301,952
Valuation adjustments	3,277	116
Subtotal debt securities	**1,932,672**	**2,406,068**
Other financial liabilities	29,529	32,620
Subtotal Other financial liabilities	**29,529**	**32,620**
	9,102,469	**9,680,857**

The breakdown of financial liabilities at amortized cost by residual term as of December 31, 2024 and 2023 is as follows:

	12/31/2024	12/31/2023
Up to 1 month	784,017	764,482
Between 1 and 3 Months	2,389,481	1,738,437
Between 3 and 12 Months	3,329,425	4,450,642
Between 1 and 3 Years	772,368	453,869
Between 3 and 5 Years	315,464	379,068
More than 5 Years	1,511,714	1,894,359
Total	**9,102,469**	**9,680,857**

In fiscal 2024, interest rates on outstanding financial liabilities ranged from 3.10% to 4.49%.

In fiscal year 2023, interest rates on outstanding financial liabilities ranged from 2.23% to 4.63%.

Subordinated debt

The heading "Deposits with credit institutions" includes subordinated debt whose counterparty is the Parent Company's shareholders, i.e. Banco Santander and BNP Paribas and BNP Paribas Personal Finance. Specifically, this caption includes the following;

I. Subordinated debt issued by the UCI 12-17 securitization funds with a balance at December 31, 2024 of €21.95 million (€34.7 million at December 31, 2023).

II. Subordinated debt issued by UCI SA, amounting to €150 million at December 31, 2024 and December 31, 2023.

The detail of the loans subscribed and their main conditions at December 31, 2024 is as follows:

Financial institution	Date of maturity	Interest rate	Installments	Amount	Current liability
BS	12/12/2029	Euribor + 2.5%.	Half-yearly	40,000	-
BNP PF	12/12/2029	Euribor + 2.5%.	Half-yearly	40,000	-
BS	12/09/2030	Euribor + 2.8%.	Half-yearly	12,500	-
BNP PARIS	12/09/2030	Euribor + 2.8%.	Half-yearly	12,500	-
BS	03/28/2032	Euribor + 2.5%.	Half-yearly	22,500	-
BNP PARIS	03/28/2032	Euribor + 2.5% Semiannual	Half-yearly	22,500	-
BS	12/05/2039	Eur3 months+0.55	Quarterly	5,175	-
BS	06/05/2040	Eur3 months+0.63	Quarterly	5,802	-
BNPP PF	12/05/2039	Eur3 months+0.55	Quarterly	5,175	-
BNPP PF	06/05/2040	Eur3 months+0.63	Quarterly	5,801	-
Total				**171,953**	-

The detail of the loans subscribed and their main conditions as of December 31, 2023 is as follows:

Financial institution	Date of maturity	Interest rate	Installments	Amount	Current liability
BS	12/12/2029	Euribor + 2.5%.	Half-yearly	40,000	-
BS	12/09/2030	Euribor + 2.8%.	Half-yearly	12,500	-
BS	03/08/2032	Euribor + 2.5%.	Half-yearly	22,500	-
BNPP Paris	12/09/2030	Euribor + 2.8%.	Half-yearly	12,500	-
BNPP Paris	03/28/2032	Euribor + 2.5%.	Half-yearly	22,500	-
BNPP PF	12/12/2029	Euribor + 2.5%.	Half-yearly	40,000	-
BS	03/05/2039	Eur3 months+0.60	Quarterly	6,375	-
BS	12/05/2039	Eur3 months+0.55	Quarterly	5,175	-
BS	06/05/2040	Eur3 months+0.63	Quarterly	5,802	-
BNPP PF	03/05/2039	Eur3 months+0.60	Quarterly	6,375	-
BNPP PF	12/05/2039	Eur3 months+0.55	Quarterly	5,175	-
BNPP PF	06/05/2040	Eur3 months+0.63	Quarterly	5,802	-
Total				**184,704**	-

The interest paid on these loans is €17.7 million at December 31, 2024 and €18 million at December 31, 2023.

These loans have the character of subordinated loans in order to be included in the calculation of the UCI Group's shareholders' equity, and cannot be amortized or repaid in advance without prior authorization from the Bank of Spain. These loans have a maturity of 10 years and, as previously indicated, are granted by the shareholders or entities related to them.

In addition, during 2024, several short-term loans were subscribed with the shareholders, specifically in September for an amount of 82.5 million euros granted by Banco Santander and for an amount of 82.5 million euros granted by BNP Paribas respectively, indexed to Euribor +50bp. Also, two loans were subscribed in December 2024, one for an amount of 1.65 million euros and the other for an amount of 575 thousand euros granted by BNP Paribas, and three loans granted by Banco Santander for an amount of 800 thousand, 850 thousand and 575 thousand euros, indexed to Euribor +50bp and recorded under "deposits from credit institutions - loans with credit institutions".

In December 2023, several short-term loans have been subscribed with shareholders, namely 67.2 million euros granted by Banco Santander and 67.2 million euros granted by BNP Paribas respectively, indexed to Euribor 6M+50bp and recorded under "bank deposits - loans with credit institutions".

Debt securities

a) Convertible debentures

On June 26, 2019, UCI S.A. issued contingently convertible perpetual subordinated debentures ("CoCos") into UCI S.A. shares, which are listed on the Alternative Fixed Income Market ("MARF"), for a total amount of €82 million. The debentures were issued at par and have a unit par value of 200,000 euros.

On May 25, 2022, the Company issued contingently convertible subordinated perpetual debentures ("CoCos") into shares of UCI S.A., which are listed on the Mercado Alternativo de Renta Fija ("MARF"), for a total amount of 22 million euros. The debentures were issued at par and have a unit par value of 200,000 euros.

These securities are perpetual, although they may be converted into newly issued ordinary shares of UCI in those cases where a ratio of less than 5.125% Common Equity Tier 1 ratio (Common Equity Tier 1 ratio or CET1), calculated in accordance with Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms, is present. The conversion price of the securities will be the higher of (i) the fair value, and (ii) the nominal value of an ordinary share of UCI at the time of conversion.

The securities are considered Additional Tier 1 Capital (Additional Tier 1).

The debentures issued in June 2019, will accrue a non-cumulative discretionary remuneration calculated at an annual interest rate, payable semi-annually of:

- Percentage applied on the nominal amount of the Coco debentures of 7.5% from the disbursement date (included) until the fifth anniversary (excluded).

- As from the fifth anniversary, and for every five years thereafter, it will consist of adding a margin of 788.8 basis points to the applicable 5-year mid-swap rate.

The bonds issued in May 2022 will accrue a non-cumulative discretionary remuneration calculated at an annual interest rate, payable semi-annually from the disbursement date, of the rate resulting from the applicable 6-month EURIBOR plus margin of 665 basis points.

Following authorization on August 1, 2024 by the Bank of Spain, 410 subordinated perpetual debentures (“CoCos”), fully subscribed by the shareholders (Banco Santander, S.A, BNP Personal Finance, S.A, BNP Paribas, S.A) with a nominal value of 82.82,000 thousand, computable as AT1 capital, through their contribution to the Company by means of the subscription by the shareholders of an ordinary capital increase (“CET1”) for a total amount of 45.2 million euros and a share premium of 36.8 million euros.

The expense for the remuneration of preferred shares contingently convertible into common shares amounts to 5,236 thousand euros at December 31, 2024 (8,320 thousand euros at December 31, 2023). The net expense of their tax impact has been recorded under “Retained Earnings” in consolidated equity.

b) Securitization bonds issued by the UCI Funds

Below is a detail of the balances recorded in the accompanying balance sheets at December 31, 2024 and 2023 associated with outstanding Bonds issued (and not retained by the Group), by the different Securitization Funds, in which Unión de Créditos Inmobiliarios S.A., E.F.C. acted as Assignor:

	2024	2023
Asset Securitization Fund UCI 11	-	53,329
Mortgage Securitization Fund UCI 12	46,523	59,286
Asset Securitization Fund UCI 14	53,706	72,127
UCI Asset Securitization Fund 15	78,089	99,862
UCI 16 Asset Securitization Fund	153,938	194,044
UCI 17 Asset Securitization Fund	108,231	138,767
Securitization Fund, RMBS Prado VII	223,354	256,972
Securitization Fund, RMBS Prado VIII	273,157	309,726
Securitization Fund, RMBS Prado IX	301,322	334,945
Securitization Fund, RMBS Prado X	310,027	116,560
Securitization Fund, RMBS Green Prado XI	281,222	315,109
RMBS Green Belem No.1	77,771	346,131
TOTAL (*)	**1,907,340**	**2,296,859**

8,230 thousand at December 31, 2024 (5,093 thousand at December 31, 2023) relating to valuation adjustments of these bonds (accrued interest, issue costs and issue premium).

The accrued interest payable on these bonds issued on the market and not retained by the Group is 3,277 thousand euros at December 31, 2024 and 5,093 thousand euros at December 31, 2023.

Finally, “Other Financial Liabilities” includes, at 31 December 2024, lease liabilities of EUR 13,868 thousand (EUR 18,224 thousand in 2023) and EUR 15,401 thousand relating to the payments pending for the SRT transaction (EUR 14,036 thousand in 2023).

In this regard, on December 22, 2023, a synthetic RMBS securitization transaction of mortgage loans to individuals was carried out, in order to make a significant transfer of risk (SRT) to a counterparty (insurer) through an insurance contract, which has resulted in a cost at December 31, 2024 of €2,686 thousand (€66 thousand in 2023).

Specifically, the volume of loans subject to this operation in 2023 was €662 million, €607 million at 2024 (or €629 million net after retention of 5% of the risk, €577 million at 2024 (of prime Spanish residential mortgages granted to individuals in Spain). The transaction is structured with a mezzanine series, placed with two insurance counterparties for an initial amount of €40.2 million, while UCI Group will retain the senior tranche €587 million and the first loss tranche for €1.5 million. The estimated CET 1 savings on the solvency statement at December 31, 2024 is EUR 10 million (EUR 9.3 million in 2023).

24

Financial assets and liabilities held for trading

In addition, the breakdown of financial assets and liabilities held for trading, valued at fair value, as of December 31, 2024 and 2023, is as follows:

In thousands of Euros	2024		2023	
	Assets	**Liabilities**	**Assets**	**Liabilities**
By currency: In Euros	51,653	52,932	75,225	76,759
	51,653	**52,932**	**75,225**	**76,759**

The breakdown of the balance of trading derivatives assets and liabilities at December 31, 2024 is as follows:

In thousands of Euros	Value Notional	2024 Fair value	
		Assets	**Liabilities**
Other interest rate transactions:			
Trading derivatives	1,956,949	75,225	76,759

The breakdown of the balance of trading derivatives assets and liabilities at December 31, 2023 was as follows:

In thousands of Euros	Value Notional	2024 Fair value	
		Assets	**Liabilities**
Other interest rate transactions:			
Trading derivatives	1,956,949	75,225	76,759

25

Derivatives - hedge accounting

The amounts recorded in this caption of the accompanying balance sheet correspond to the fair value of derivatives designated as hedging instruments in cash flow hedging transactions.

Cash flow hedges are used to reduce the variability of cash flows (attributable to the interest rate) generated by the hedged items. In these hedges, the variable interest rate of the hedged liability items is converted to fixed interest rates using interest rate derivatives.

Below is a breakdown of the notional and/or contractual values of the hedging derivatives held by the Group at December 31, 2024 and 2023:

	Domestic		Fair value (asset)		Fair value (liability)	
Item	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
By type of market						
Unorganized markets	7,963,734	9,402,044	174,183	244,590	34,569	25,961
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**
By type of product						
Forward transactions	-	-	-	-	-	-
Swaps	7,963,734	9,402,044	174,183	244,590	34,569	25,961
Options	-	-	-	-	-	-
Other products	-	-	-	-	-	-
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**
By counterparty						
Credit institutions - Residents	4,116,562	3,849,337	101,281	139,912	16,437	13,526
Credit institutions -Non-residents	3,847,172	5,552,707	72,902	104,678	18,133	12,435
Rest	-	-	-	-	-	-
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**
By remaining term						
Up to 1 year	4,522,820	4,833,250	11,115	12,437	5,027	1,188
More than 1 year and up to 5 years	1,468,790	1,644,640	44,004	69,975	9,296	-
More than 5 years	1,972,124	2,924,154	119,064	162,178	20,247	24,773
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**
By type of risk hedged						
Interest rate risk	7,963,734	9,402,044	174,183	244,590	34,569	25,961
Currencies	-	-	-	-	-	-
Credit	-	-	-	-	-	-
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**
By type of elements covered						
Financial assets at amortized cost (loans and advances)	7,963,734	9,402,044	174,183	244,590	34,569	25,961
Financial assets at amortized cost (debt securities)	-	-	-	-	-	-
Total	**7,963,734**	**9,402,044**	174,183	**244,590**	**34,569**	**25,961**

The notional amount of the asset and liability hedging derivative contracts does not represent the risk assumed by the Group since its net position is obtained from the offsetting and/or combination of these instruments.

The detail of the impact on the income statement for 2024 and 2023 is as follows:

	12.31.2024 (thousands of euros)			
	Result on hedging instruments		Result on hedged instrument	
Concept	**Profit**	**Loss**	**Profit**	**Loss**
Swaps	-			-
Other products	-	-	-	-
Total	**-**	**92,620**	**92,620**	**-**
	12.31.2023 (thousands of euros)			
	Result on hedging instruments		**Result on hedged instrument**	
Concept	**Profit**	**Loss**	**Profit**	**Loss**
Swaps	-			-
Other products	-	-	-	-
Total	**-**	**87,527**	**87,527**	**-**

In September 2023, the Company discontinued several cash flow hedges, as the hedged item was cancelled and therefore the expected cash flows will not occur. In this situation, the amount accrued in equity was immediately reclassified to income for an amount of income of 24,599 thousand euros, and this type of operation will not exist in 2024.

The amount included in the statement of recognized income and expense corresponds mainly to changes in the value of cash flow hedges.

26

Provisions

The balance of the “Other provisions” caption under the “Provisions” caption is as follows:

	Thousands of Euros	
	2024	**2023**
Provisions for taxes and other legal contingencies	14,691	10,167
Miscellaneous provisions	9,238	10,269
	23,929	**20,436**

This heading includes provisions for legal matters, which have been estimated by applying prudent calculation procedures consistent with the conditions of uncertainty inherent to the obligations they cover.

The financial sector has been exposed for years to multiple legal incidents (by way of example and not limitation): massive extrajudicial and/or judicial claims for “floor clauses” (also extending to “transactional agreements/negotiations” and cancelled loans); mortgage loan formalization expenses”; IRPH; and “amounts paid by purchasers for home purchase” (Law 57/68); among other various incidents. Therefore, the Group has considered provisioning amounts related to some of these cases, based on open proceedings amounting to EUR 14,691 thousand in 2024 (EUR 10,167 thousand in 2023). Specifically, a prospective estimate is made based on the analysis of the losses incurred in closed proceedings with similar casuistry, covering both the main claim of the existing claim or possible future claim, as well as the possible legal expenses that may exist. Qualitative information regarding the legal framework of these matters is detailed below.

During the year 2024, the UCI Group has continued to manage legal proceedings for claims for nullity of clauses, the most relevant reasons being the formalization expenses, the origination fee and the IRPH reference for the calculation of the interest applicable to the loan. In relation to the first reason (formalization expenses), in June 2024 the Supreme Court issued a ruling on the statute of limitations for the restitution of the loan formalization expenses, establishing that the “dies a quo” to determine the statute of limitations for the restitution action begins at the moment in which a final judgment declaring the nullity of the clause is issued, except when the Entity can demonstrate that the customer had knowledge of the possible nullity beforehand, this allows us to assess for each case whether or not there is a possibility of alleging the statute of limitations depending on the information available to us on the possible knowledge of the customer in the specific case.

. With regard to the issue of the arrangement fee there have been no changes with respect to 2023, specifically, in May 2023 the Supreme Court ruled that the arrangement fee is not part of the price of the contract and therefore its transparency and abusiveness must be analyzed, although it has recognized the validity of the clause provided that it has been reported in a transparent manner and that it is not disproportionate. On the matter related to the IRPH reference index, in December 2024 the Court of Justice of the European Union issued a judgment (following a preliminary ruling question raised by the JPI nº 8 of San Sebastián) in which it again supports the validity of the index, although it clarifies the information requirements that the clause must meet in order to pass the transparency control, as well as those that must be taken into account to pass the abusivity control. This ruling does not fundamentally distort or contradict the doctrine of the Supreme Court, which will have to pronounce again to adapt or qualify its last ruling.

In addition, under the heading "Sundry provisions" are recorded different concepts linked to the recoverability of certain transactions that have been covered by the law on the regulation of excessive indebtedness of individuals (3869/2010), relating to loans originated in the extinct UCI branch in Greece. 1,881 thousand euros were also recorded at December 31, 2023, relating to provisions set up for the purpose of early retirement of some of the company's personnel. There are no provisions of this nature at the end of 2024.

27

Fair value of financial assets and liabilities

The Group's financial instruments are valued at fair value, with the exception of those at amortized cost.

Most of the financial liabilities recorded in full under "Financial liabilities at amortized cost" in the balance sheet as of December 31, 2024 and 2023, are at variable rates, with periodic review of the applicable interest rate, and therefore their fair value as a result of changes in market interest rates does not differ significantly from the amounts at which they are recorded in the accompanying balance sheet.

The remaining assets and liabilities are at a fixed rate; of these, a significant portion have a maturity of less than 1 year and, therefore, their market value as a consequence of movements in market interest rates is not significantly different from that recorded in the accompanying balance sheet.

Therefore, the fair value of the amount of fixed-rate assets and liabilities with a residual maturity of more than one year does not differ significantly from that recorded in the accompanying balance sheet.

The fair value of the Company's financial instruments at December 31, 2024 and 2023 for each class of financial assets and liabilities measured at fair value is presented below, broken down by class of financial assets and liabilities into the following levels:

- **Level 1:** : The fair value has been determined by taking their quoted price in active markets, without making any modification on such assets.
- **Level 2:** The fair value has been estimated based on quoted prices in organized markets for similar instruments or by using other valuation techniques in which all significant inputs are based on directly or indirectly observable market data.
- **Level 3:** The fair value has been estimated by using valuation techniques in which some significant inputs are not based on observable market data.

The reasons why there may be differences between the fair value and the carrying amount of financial instruments are as follows:

- In instruments issued at a fixed rate, the fair value of the instrument varies depending on the evolution of market interest rates. The variation is greater the longer the residual maturity of the instrument.
- For instruments issued at variable rates, the fair value may differ from the carrying amount if the margins with respect to the reference interest rate have changed since the instrument was issued. If the margins remain constant, the fair value coincides with the book value only on depreciation dates. On all other dates there is interest rate risk for flows that are already determined.

	thousands of Euros					
	Value in book	**Value Fair**	**2024**			**Techniques of Valuation**
			LEVEL 1	**LEVEL 2**	**LEVEL 3**	
Financial assets						
Cash, cash balances at central banks and other demand deposits	147,768	147,768	-	-	147,7658	
Financial assets held for trading	51.653	51.653	-	-	51.653	Interest rate swaps (interest rate swaps) Discounted cash flows
Financial assets at amortized cost						Loans to customers (discounted future cash flows and internal provisioning model)
Debt securities	68.651	71.651	71.651	-	-	
Loans and advances to credit institutions	248.656	248.656	-	-	248,656	
Loans and advances	8,790,903	9,093,514	-	-	9,093,514	
Hedging derivatives	174,183	174,183	-	-	174,183	Interest rate swaps (Interest rate swaps,) Flow discounting
Financial liabilities						
Financial liabilities held for trading	52,932	52,932	-	-	52,932	Linear interest rate swaps (Interest rate swaps,) Discounted cash flow swaps,) Discounted cash flows
Financial liabilities at amortized cost	9,102,469	9.093.514	-	-	9.093.514	Linear interest rate swaps (Interest rate swaps) Discounted cash flows
Hedging derivatives	34,569	34,569	-	-	34,569	Linear interest rate swaps (Interest rate swaps,) Flow discounting

	thousands of Euros					
	Value in book	**Value Fair**	**2024**			**Techniques of Valuation**
			LEVEL 1	**LEVEL 2**	**LEVEL 3**	
Financial assets						
Cash, cash balances at central banks and other demand deposits	203,724	203,724	-	-	203,724	
Financial assets held for trading	75,225	75,225	-	-	75,225	Interest rate swaps (interest rate swaps) Discounted cash flows
Financial assets at amortized cost						
Debt securities	228,139	225,035	225,035	-	-	Loans and advances to customers (discounted cash flow futures and internal provisioning model)
Loans and advances	9,344,855	9,172,313	-	-	9,172,313	
Hedging derivatives	244.590	244.590	-	-	244,590	Interest rate swaps (interest rate swaps) Discounted cash flows
Financial liabilities						
Financial liabilities held for trading	76,759	76,759	-	-	76,759	Interest rate swaps (interest rate swaps) Discounted cash flows
Financial liabilities at amortized cost	9,680,857	9.676.427	-	-	9.676.427	
Hedging derivatives	25,961	25,961	-	-	25,961	Interest rate swaps (interest rate swaps) Flow discounting

Financial instruments at fair value and determined by published quotations in active markets (level 1) comprise government debt, private debt, exchange-traded derivatives, securitized assets, equities, short positions and issued fixed income.

In cases where quotations cannot be observed, management makes its best estimate of the price that the market would set using its own internal models.

In most cases, these internal models use data based on observable market parameters as significant inputs (level 2) and sometimes use significant inputs that are not observable in market data (level 3).

28

Accumulated other comprehensive income

The breakdown of this caption in the balance sheets as of December 31, 2024 and 2023 is as follows:

In thousands of Euros	2024	2023
Available-for-sale financial assets:		-
Debt securities	-	-
Cash flow hedges	95,882	148,693
Other valuation adjustments	-	-
Total	**95,882**	**148,693**

The breakdown of this caption in the accompanying balance sheets as of December 31, 2024 and 2023 is as follows:

In thousands of Euros	2024	2023
Cash flow hedges	95,882	148,693
Total	**95,882**	**148,693**

The balance included in cash flow hedges corresponds to the net amount of the changes in the value of the financial derivatives designated as hedging instruments for the portion of the hedge that is considered to be effective. The movement during 2024 and 2023 is as follows:

In thousands of Euros	2024	2023
Balance at the beginning of the year	**148,693**	**280,386**
Net cancellations (Note 25)	-	(24,599)
(24,599) - Changes in value	(52,811)	(107,094)
Total	**95,882**	**148,693**

29

Shareholders' equity

At December 31, 2024 and 2023, the Parent Company's capital stock consists of 87,141 and 69,805 thousand ordinary bearer shares, respectively, with a par value of 2.61 euros each, fully subscribed and paid up. All the shares have equal voting and dividend rights.

The composition of the shareholding at December 31, 2024 and 2023 is as follows:

Banco Santander S.A.	50%
BNP Paribas Personal Finance SA (France).	40%
BNP Paribas, S.A. (France).	10%

On December 22, 2021, and in order to strengthen the Parent Company's shareholders' equity and, in particular, its ordinary tier 1 capital at the individual level, the shareholders decided to increase the share capital by the amount of €16,118,159 in UCI S.A., by issuing 6,175,540 new shares with a par value of €2.61 each, numbered sequentially from 37,555,001 to 43,730,540 inclusive, which were created with a total share premium of €43,881,840 for the new set of newly issued shares.

On March 4, 2022, and in order to strengthen the Parent Company's shareholders' equity and, in particular, its ordinary tier 1 capital at the individual level, the shareholders decided to increase the share capital by the amount of €27,023,940, by issuing 10.354,000 new shares with a par value of €2.61 each, numbered sequentially from 43,730,540 to 54,084,540 inclusive, which were created with a total share premium of €72,976,060 for the new set of newly issued shares.

On December 2, 2022, and in order to strengthen the Parent Company's shareholders' equity and, in particular, its ordinary tier 1 capital at the individual level, the shareholders decided to increase the share capital by the amount of €12,642,840, by issuing 4.844,000 new shares with a par value of 2.61 euros each, numbered sequentially from 54,084,540 to 58,928,541 inclusive, which were created with a total share premium of 34,357,160 euros for the new set of newly issued shares.

On December 22, 2023, and in order to strengthen the Parent Company's equity and, in particular, its ordinary tier 1 capital at the individual level, the shareholders decided to increase the share capital by the amount of EUR 28,387.28,387,508 euros, by means of a cash contribution with the issue of new shares, which are issued at their par value (2.61 euros) numbered sequentially from 58,928,541 to 69,804,980 inclusive, plus a total share premium of 59,612,491 euros (5.4808 euros per share), totaling 88,000,000 euros, which has been fully paid up through cash contributions.

On October 2, 2024, a capital increase of 45,247 thousand euros was carried out, bringing the total amount to 227,438 thousand euros. 2.61, numbered sequentially from 69,804,980 to 87,141,130, both inclusive, and a share premium of The subscription and full payment of these shares were made by the shareholders through contributions consisting of all 410 contingent convertible bonds (CoCos).

Legal reserve

In accordance with the Consolidated Text of the Spanish Corporations Law, entities that obtain profits in a fiscal year must transfer 10% of the profit for the year to the Legal Reserve. These allocations must be made until the legal reserve reaches at least 20% of the paid-up share capital. The legal reserve may be used to increase the share capital in the part of its balance that exceeds 10% of the share capital already increased. As long as it does not exceed 20% of the Share Capital, the legal reserve may only be used to offset losses, provided that there are not sufficient other reserves available for this purpose.

As of December 31, 2024 and 2023, the Parent Company had not set aside this reserve for the minimum limit established by the aforementioned law.

Determination of shareholders' equity

Reserves of the Parent Company and consolidated reserves

The reserves of the Parent Company correspond to undistributed profits or losses not offset from previous years and the positive difference from first consolidation (1989). The reserves of the fully consolidated companies relate to the undistributed results or uncompensated losses from previous years of the subsidiaries.

The changes in these reserves were as follows:

	Balance at 12.31.22	Movements Year	Balance at 12.31.23	Mov. Year	Balance at 12.31.24
Parent Company	(43,976)	(10,658)	(54,634)	(13,862)	(68,496)
Consolidated companies	301,453	(53,000)	248,453	(68,535)	179,918
Total	**257,477**	**(63,658)**	**193,819**	**(82,397)**	**111,422**

Basic earnings per share

Basic earnings per share is determined by dividing the Company's net income for a period, adjusted by the after-tax amount corresponding to the remuneration recorded in equity of contingently convertible preferred stock (see note 23), by the weighted average number of shares outstanding during that period, excluding the average number of treasury shares held during the period.

Accordingly:

Basic earnings per share (thousands of euros)	**2024**	**2023**
Profit for the year attributable to the parent company (thousands of euros)	(69,809)	(76,490)
Remuneration of contingently convertible preferred shares (PPCC) (thousands of euros) (note 23)	(5,236)	(8,320)
Other amounts recorded in reserves of the parent company (thousands of euros) (note 23)	(671)	
Dilutive effect of changes in income for the period arising from the potential conversion of common stock	-	-
	(75,716)	(84,810)
Of which:		
Income from discontinued operations (net of minority interests) (thousands of euros)	-	-
Profit from ordinary activities (net of minority interests and PPCC remuneration) (thousands of euros)	(75,716)	(84,810)
Weighted average number of shares outstanding (note 29)	87,141,130	69,804,980
Adjusted number of shares	87,141,130	69,804,980
Basic earnings/(loss) per share (euros)	**(0.87)**	**(1.21)**
Basic earnings/(loss) per share of discontinued operations (euros)	-	-
Basic earnings/(loss) per share from continuing operations (euros)	**(0.87)**	**(1.21)**

30

Balances and transactions with related parties

Balances with related parties as of December 31, 2024 and 2023 are as follows:

	Thousands of euros	
	2024	**2023**
Loans and receivables and deposits with credit institutions		
Banco Santander	105,628	31,985
Banco Santander Totta	3,593	4,864
CACEIS	469	
BNP Paribas	22,897	5,690
Fair value hedging derivatives		
Banco Santander	(557)	(785)
BNP Paribas	(299)	(403)
Cash flow hedging derivatives		
Banco Santander	117,711	153,464
BNP Paribas	89,677	114,765
Financial liabilities at amortized cost		
Banco Santander - Loans	3,130,930	3,179,103
BNP Paribas - Loans	3,139,890	3,055,444
Banco Santander - Collateral	75,020	-
BNP Paribas - Collateral	49,550	-
Banco Santander - Subordinated deposit	86,464	75,583
BNPP - Subordinated deposit	86,464	75,583
Banco Santander - Repos	14,978	-
BNP Paribas - Repos	33,651	115,848
Financial instruments		
Banco Santander - Reverse Repo	114,993	-
BNP Paribas - Reverse Repo	133,663	-

	Thousands of euros	
	2024	2023
Debt securities		
Banco Santander - CoCos	11,026	52,058
BNP Paribas - CoCos	11,026	52,058
Financial expenses		
Banco Santander - Loans	(138,584)	(119,538)
BNP Paribas - Loans	(135,990)	(111,288)
Banco Santander - Collateral	(4,316)	-
BNP Paribas - Collateral	(3,295)	-
Banco Santander - Subordinated deposit	(6,084)	(4,353)
BNPP - Subordinated deposit	(6,084)	(4,353)
Banco Santander - Repos	(119)	(776)
BNPP - Repos	(1,946)	(6,438)
Banco Santander - Swaps	(112,446)	(86,349)
BNP Paribas - Swaps	(46,721)	(44,614)
Financial income		
Banco Santander - Collateral	79	-
Banco Santander - Reverse Repo	3,367	483
BNP Paribas - Reverse Repo	3,099	275
Banco Santander - CoCos	17,977	15,360
BNP Paribas - CoCos	17,978	15,360
Banco Santander - Swaps	104,539	89,512
BNP Paribas - Swaps	146,699	128,980

31

Tax situation

The Group in Spain has been open to inspection for all applicable taxes since 2021, except for corporate income tax, which has been open since 2020.

The returns for these taxes cannot be considered final until they have been verified by the tax authorities or until four years have elapsed since they were filed.

The UCI Group settles the corporate income tax for the years 2024 and 2023 on a consolidated basis, in accordance with the Ministerial Order of October 3, 1992, without incorporating the following companies: ComprarCasa, Rede de Serviços Imobiliários, S.A., UCI Holding Ltda, Companhia Promotora UCI and UCI-Mediação de Seguros Unipessoal Lda, being the companies of the Tax Consolidation Group: Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito, Retama Real Estate, S.A.U. and UCI Servicios para Profesionales Inmobiliarios, S.A.U.

The calculation of the tax payable is as follows:

	12/31/2024	12/31/2023
Accounting result before taxes	(62,259)	(81,905)
Result of subsidiaries not consolidated for tax purposes	(5,268)	(3,688)
Adjustment for change in accounting criteria	-	-
Accounting income before taxes consolidated group	(67,527)	(85,593)
Permanent differences	1,914	1,500
Temporary differences	20,390	21,488
Convertible debentures	(5,236)	(8,320)
Taxable income for tax purposes	(50,459)	(70,925)
Taxable income offset	-	-
Taxable income	-	-
Compensation Temporary differences (25%)	-	-
Offset BIN's (25%)	-	-
Others	-	-
Payments on account Corporate income tax	-	-
Tax payable	-	-

The calculation of the tax expense is as follows:

	12/31/2024	12/31/2023
Accounting income before taxes	(62,260)	(81,905)
Result of subsidiaries not consolidated for tax purposes	(5,268)	(3,688)
Accounting income before taxes consolidated group	(67,528)	(85,593)
Permanent differences	1,914	1,500
Total	**(65,614)**	**(84,093)**
Tax expense (income)	6,117	(6,397)
Taxes from previous years	(18)	(303)
Tax expense Portugal Branch and UCI LMS	1,451	1,245
Impairment of tax credits	-	-
Other	-	40
Tax expense (income)	**7,550**	**(5,415)**

Both as of December 31, 2024 and December 2023, the Group has not capitalized the taxable income generated by the Tax Group in those years.

During 2024 and 2023, the Group did not make any impairments in relation to the tax credits it had capitalized, in accordance with the business plan, and the recoverability of the amounts currently capitalized is estimated to be highly probable with the generation of positive consolidated taxable income.

Deferred tax assets and liabilities" mainly include deferred tax liabilities in relation to the tax effect of the valuation of hedging derivatives amounting to 41,126 thousand euros at December 31, 2024 (63,756 thousand euros at December 31, 2023 of tax assets), as well as those arising from allocations to provisions for non-deductible credit impairment, of a monetizable nature.

The detail of deferred tax assets and liabilities, excluding the tax effect of the valuation of hedging derivatives, at December 31, 2024 and 2023 and their movement, is as follows:

	2023	Additions	Disposals	Adjustments	2024
Provision for impairment of non-deductible, monetizable receivables	**47,967**	-	-	-	**47,967**
Provision for impairment of non-deductible, non-monetizable loan loss allowance	**15,659**	-	(5,434)	-	**10,225**
Impairment on non-deductible real estate investments	**1,961**	-	(683)	-	**1,278**
Other temporary differences in assets	-	-	-	-	-
Other temporary differences in liabilities	-	-	-	-	-
Tax credits	**23,109**	-	-	(1)	**23,108**
	88,696	-	**(6,117)**	**(1)**	**82,578**

Details of deferred tax assets and liabilities, excluding the tax effect of the valuation of hedging derivatives, as of December 31, 2022 and 2023 and their movement, are as follows:

	2022	Additions	Disposals	Adjustments	2023
Provision for impairment of non-deductible, monetizable receivables	47,967	-	-	-	**47,967**
Provision for impairment of non-deductible, non-monetizable loan loss allowance	8,986	6,673	-	-	**15,659**
Impairment of non-deductible intangible investments	2,188	-	(227)	-	**1,961**
Other temporary differences on assets	668	-	(668)	-	-
Other temporary differences on liabilities	(576)	-	576	-	-
Tax credits	23,109	-	-	-	**23,109**
	82,342	**6,673**	**(319)**	-	**88,696**

The breakdown of the income tax expense for 2024 and 2023 is as follows:

	Thousands of Euros	
	2024	**2023**
Current tax	1,433	1,285
Deferred tax	6,117	(6,397)
Total tax expense	**7,550**	**(5,112)**

Regardless of the income tax charged to the income statement, the Company has charged the following amounts to its equity for the following items:

	Thousands of Euros	
	2024	**2023**
Net credits (debits) to net equity:		
Valuation of cash flow hedging derivatives	22,629	56,410

32

Contingent commitments

Contingent commitments include those irrevocable commitments that could result in the recognition of financial assets.

The breakdown of this caption as of December 31, 2024 and 2023 is as follows:

	12/31/2024	12/31/2023
Loan commitments granted	45,710	38,707
Of which Doubtful	-	36
Other commitments granted	1,935	1,935
	47,645	**40,642**

Loan commitments granted record firm commitments to grant credit under certain conditions and terms.

At December 31, 2024 and 2023, there are no contingent commitments in addition to those mentioned in the table above. On both dates, those available from third parties are not subject to any restriction.

33

Interest income

The detail of this caption in the consolidated statement of income for the years ended December 31, 2024 and 2023 is as follows:

	Thousands of Euros	
	12/31/2024	**12/31/2023**
Financial assets at amortized cost	352,069	334,772
Derivatives - hedge accounting, interest rate risk	251,238	218,491
Other assets	549	100
	603,856	**553,363**

The breakdown of the balance of the “Interest Income” caption is as follows:

	Thousands of Euros	
	12/31/2024	**12/31/2023**
Due from credit institutions	8,768	-
Debt securities	4,541	5,190
Loans and advances to customers (*)	590,547	548,173
	603,856	**553,363**
Of which: interest on stage 3 exposures	16,409	20,167

(*) Includes the amount of derivatives - hedge accounting, interest rate risk.

34

Interest expenses

The detail of this caption in the statement of income for the years ended December 31, 2024 and 2023 is as follows:

	Thousands of Euros	
	12/31/2024	**12/31/2023**
Financial liabilities at amortized cost	(412,023)	(379,677)
Derivatives - hedge accounting, interest rate risk	(159,167)	(130,966)
Other interest expense	-	(281)
Total	**(571,190)**	**(510,924)**

The balance of “Financial Liabilities at Amortized Cost” under the “Interest Expense” caption is as follows:

	Thousands of Euros	
	12/31/2024	**12/31/2023**
Financial liabilities at amortized cost		
Deposits from credit institutions	(399,760)	(361,756)
Subordinated liabilities	(12,263)	(17,921)
	(412,023)	**(379,677)**

35

Personnel expenses

The breakdown of the balance of this caption in the accompanying consolidated statements of income is as follows:

	Thousands of Euros	
	12/31/2024	12/31/2023
Wages and salaries	(27,027)	(32,246)
Employee welfare expenses	(6,878)	(7,536)
Total	**(33,905)**	**(39,782)**

The number of Group employees at December 31, 2023 and 2023, distributed by professional category, is as follows:

	12/31/2024	12/31/2023
Management and Head of Division	46	56
Management and Specialized Technicians	113	121
Technical and Administrative	415	461
Total	**574**	**638**

The average number of employees of the Group, distributed by category and gender as of December 31, 2024 and 2023 was as follows:

	12/31/2024			12/31/2023		
	Men	Women	Total	Men	Women	Total
Group III						
A	107	181	**288**	117	195	**312**
B	30	48	**78**	39	57	**96**
C	16	33	**49**	19	34	**53**
Group II						
A	13	7	**20**	11	10	**21**
B	0	1	**1**	2	-	**2**
C	39	53	**92**	46	52	**98**
Group I						
A	14	5	**19**	19	3	**22**
B	18	7	**25**	23	5	**28**
C	1	1	**2**	1	5	**6**
Others	-	-	-	-	-	-
	238	**336**	**574**	**277**	**361**	**638**

The number of employees of the Group, distributed by category and gender, as of December 31, 2024 and 2023 is similar to that presented previously, as there are no relevant variations with respect to the number of employees of the previous year.

The average number of employees with a disability greater than or equal to 33% was 5 (6 (3 men and 3 women) in 2023) and is distributed in the following categories:

	12/31/2024			12/31/2023		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Technical and administrative						
A	1	1	2	1	2	3
B	2	1	3	2	-	2
C	-	-	-	-	1	1
	3	2	5	**3**	**3**	**6**

36

Administrative expenses

The breakdown of the balance of this caption in the accompanying consolidated statement of income is as follows:

	2024	2023
Property, plant and equipment	9,156	10,981
Information technology	3,507	3,242
Communications	1,250	1,267
Advertising and promotion	3,193	4,103
Legal and legal fees	6,230	5,402
Technical reports	652	99
Surveillance and fund transfer services	-	1
Insurance and self-insurance premiums	794	575
By governing and controlling bodies	237	248
Staff representation and travel expenses	1,119	1,073
Association dues	68	67
Allocation of head office expenses to foreign subsidiaries	-	1
Outsourced administrative services	5,569	5,939
Other expenses	20,598	15,722
Total	**52,373**	**48,720**

In fiscal year 2024, the UCI Group applied the financial reporting framework established by the International Financial Reporting Standards adopted by the EU. Until fiscal year 2019, in compliance with the regulations applicable to all Financial Credit Establishments, Unión de Créditos Inmobiliarios, SA, EFC and the UCI Group applied the criteria established in Circular 4/2004 for their corporate accounts. In the 2020 financial year, Unión de Créditos Inmobiliarios, SA, EFC, as well as the rest of the Spanish Financial Credit Establishments, has gone on to apply Bank of Spain Circular 4/2019, which includes the same accounting criteria that Spanish credit institutions have been applying since 2018, in application of Circular 4/2017, which transferred to Spain the European accounting framework made up of the International Financial Reporting Standards adopted in the European Union (IFRS-EU).

1. Economic Environment

In 2024, the level of growth of the world economy according to the IMF was 3.2%, maintaining the trend of improvement a slight improvement after the 3.1% and 2.9% of 2023 and 2022, and converging with the average of the five years pre-covid-19, which was 3.0%.

The euro zone maintains its stagnant growth limited to 0.7%, according to Eurostat estimates after 0.1% in 2023, and a second year of recession in Germany, the zone's leading economy.

On the other hand, in the markets where the UCI Group operates, activity was markedly more dynamic: with estimated growth of 3.5%, 2.7% and 2.5% respectively, Spain, Portugal and Greece led EMU growth, at % still higher than the levels reached in 2023.

The other major economies performed substantially better than the euro zone. Both the United States and China presented rates comparable with 2023: +2.5% after 3.1% for the USA, +5.4% after +5.2% for China.

In the Euro zone as a whole, the tensions it had suffered in 2022 and 2023 generated by the conflict in Ukraine that started in 2022, with its strong impact on trade and commodity, agricultural and energy prices, have eased. The inflationary pressure that had fully manifested itself in 2021 led to tighter monetary policies in the EMU and the other major Western economies.

These helped to contain the evolution of the eurozone consumer price index, which fell sharply from 9.2% y-o-y in December 2022 to 2.9% by the end of 2023, and reaching 2.4% by the close of 2024, approaching the 2% target. The same trends were reflected in the US, whose year-on-year inflation fell from 9.1% in mid-2022 to 2.9% by the end of 2024, and in the UK (from 9.6% in October 2022 to 2.5% in December 2024).

The Spanish CPI stood at 2.9% in December 2024, slightly above the EMU and German average (2.6%), a situation shared by the other countries in which UCI operates: Portugal at 3.1% and Greece at 2.9%.

The easing of inflationary pressure led to a general easing of intervention by the major central banks in 2024, which was reflected in the evolution of money market rates: the 12-month Euribor, still negative in March 2022 and peaking at 4.16% in October 2023, ended 2024 at 2.46%. Similarly, the decline in longer-term benchmarks was confirmed in 2024: the 10-year € swap, a key element in the pricing of UCI's commercial activity, which exceeded 3.0% in January 2023, reached 3.50% in October 2023 and ended 2024 at 2.35%.

The volatility of these movements in the capital markets did not translate into retail market rates, which showed greater inertia. As a result, the correlation between the IRPH index, which reflects the average of the rates of the different players in the Spanish mortgage market, and the 12-month Euribor was greatly reduced: the spread between the two rates, which was 2.0% at the beginning of 2022, ended 2023 below 0.25% and fell back to below 0.10% in June 2024, although it began to recover its historical trend and ended 2024 at 0.65%.

The inflection in the evolution of interest rates in 2024 allowed real estate transactions to resume their upward trend: after the pause in 2023, a year marked by tensions and volatility in interest rates, with a 14% drop in sales in Spain, sales increased by 10% in 2024.

The dynamism experienced by the Spanish residential real estate market in the previous biennium was maintained during 2024: prices grew by 7.0% up to the 4th quarter of 2024 according to MITMA's DG Housing index, standing 22% above 2020 levels.

2. Commercial activity Loans to customers

The 2024 fiscal year saw an increase in commercial activity compared to 2023, which itself had experienced a sharp decline. In 2024, UCI exceeded the high levels of service quality perceived by our customers, which resulted in ratings of more than 9.8 out of 10 on Ekomi and more than 4.6 out of 5 on Google. Additionally, UCI has kept the well-being and satisfaction of its employees as a priority, confirming for the fifth consecutive year in 2024 the valuable Great Place to Work certification, first obtained in June 2020.

2024 saw the gradual overcoming of the negative trends that had begun in UCI's business activity since the end of 2022. In 2024 as a whole, new lending reached €445 million, up 11% on the €403 million arranged in 2023 (+9% in Spain with €294 million drawn down, and +20% in Portugal with €152 million), but in net decline with the €839 million that had been arranged in 2022.

The gradual improvement in 2024 reflects the evolution of the financial environment: interest rates on the capital markets, which began to rise in 2022, peaked in the fall of 2023, began to fall in early 2024, and began to fall more rapidly in the second half of the year. UCI has chosen to maintain the profitability of its commercial activity. As UCI is financed entirely on the wholesale markets, an environment in which the evolution of wholesale interest rates (e.g. 12-month Euribor) and retail rates (reflected by the level of the IRPH) have been out of sync, has not been conducive to a high level of formalization. The inflection observed in monetary interest rates during the 2024 financial year eased the pressure on UCI's commercial activity funding levels and made it possible to generate higher volumes with sufficient profitability.

The strategic axes of UCI's commercial offering in Spain have been maintained in 2024 with the emphasis on the responsible lending strategy and sustainability. The corollary of the previous point has continued to be a high weight of fixed or mixed rate production with a first long fixed rate period, although interest rates in the capital markets have led to a reduction in the length of the initial periods: 72% of origination (88% in Spain) corresponds to periods longer than 10 years, rising with levels of 55% in 2023 and approaching 79-81% over 2020-2022, and a total of 97% with terms of 5 years or more.

In both Spain and Portugal, the proportion of financial consultants in commercial mortgage lending activity has continued to be in the majority and growing: from 73% in 2020, to 83% in 2021 and 91% in 2022-2023, to reach 97% in 2024 (same proportion in Spain and Portugal).

In Greece, whose loan portfolio was assigned in 2018 to the Spanish parent company Unión de Créditos Inmobiliarios, SA, EFC, it is managed by the Group company UCI Hellas LMS, a wholly owned subsidiary of UCI SA, with an asset manager license granted by the Bank of Greece.

The outstanding portfolio managed by the UCI Group stood at €8,932 million at year-end 2024, €617 million (-6.4%) lower than at year-end 2023. This sharp decline is the consequence of two phenomena directly linked to the interest rate environment of the year: on the one hand, the maintenance of commercial activity at substantially lower levels than those known in 2021 and 2022; on the other hand, an increase in early repayments of good quality loans, fueled by upward revisions of portfolio rates, allowed by savings accumulated during the pandemic periods.

The decline in the Spain portfolio in 2024 remained at a high level as in the previous year: it was 573 million (-6.9%), bringing the portfolio at the end of the year to 7,686 million euros.

The portfolio in Portugal, with 1,098 million euros, also declined (-2.9%) and the UCI portfolio in Greece, managed by UCI Hellas LMS, whose balance is structurally decreasing, as there is no new production, fell by -8.6% (148 million euros).

3. Gross Margin

The gross margin obtained by the Group in 2024 amounted to €40.5 million, a sharp reduction of €29.4 million (-42%) compared with €70.0 million in 2023.

Three components explain this drastic evolution: the relative evolution of interest rates on capital markets and retail markets; the evolution of the volume of the loan portfolio; UCI's management of its portfolio of financing instruments in 2023.

Capital market interest rates and mortgage market rates have increased as of 2022, but by different amounts. The IRPH index, which reflects the average of the rates of the various players in the Spanish mortgage market, had risen from the beginning of 2022 to June 2024 by 1.7% less than the 12-month Euribor over this period. Therefore, the lending rate of UCI's loan portfolio indexed to this index did not grow as much as the cost of financing this portfolio for UCI, linked to Euribor rates. This margin squeeze impacts a portfolio that represented 35% of lending in Spain in 2024.

At the same time, the inversion of the range of interest rates, with a change in the sign of the difference between 3-month Euribor rates, the benchmark for securitization fund liabilities, and 12-month Euribor rates, reduces the financial margin on the 12-month Euribor-linked portfolios in securitization funds. The range of Euribor rates that had flattened in 2023 spent the whole of 2024 invested. The negative effects of these two evolutions. On the IRPH and the range of rates, they were in 2024 higher by approximately 8 million euros compared to 2023.

In 2023, the more rapid reduction of the portfolio, generated by the increase in early redemptions, had led in 2023 to a situation of one-off excess of hedging derivative instruments in the portfolio. These instruments had been cancelled in 2023, with a favorable impact of 20.0 million euros recognized during that fiscal year. This one-off situation did not recur in 2024, and explains two-thirds of the 29.4 million decrease in the gross margin.

Irrespective of the percentage evolution of the margin generated by the loan portfolio, the decline in the average balance of the loan portfolio led to a drop in the net interest margin. 2 million in 2024.

The lower level of new loan originations, the high level of early repayments and the absence in 2024 of a step-up call exercise on past securitization transactions have reduced liquidity needs for UCI, which did not set up a new securitization fund in 2024.

The two 'Investment Grade' ratings that Unión de Créditos Inmobiliario, SA, EFC has with the rating agencies Fitch and DBRS have enabled it to carry out repo transactions (repurchase agreements), with counterparties outside the shareholder groups, using as collateral securitization bonds backed by loans from this company for an amount of nearly 510 million euros at the end of 2024.

In 2025, the Group will continue to suffer the negative consequences on its gross margin of the structure of the interest rate range, although the investment of the range was gradually reduced in the second half of the year, suggesting a return to a growing range in 2025. It will also await convergence between money market rates and the IRPH index.

With regard to the actions to be taken, UCI plans to continue to develop its financing autonomy under conditions that will enable it to maintain the competitiveness of its commercial offer, both in Spain and in Portugal.

4. General expenses

General expenses, excluding commissions paid to intermediaries, (therefore not coinciding with the definition in note 36 of these notes to the consolidated financial statements) amounted to €50.4 million in 2024, a decrease of €5.5 million (-11.4%). UCI had recognized 4.5 million euros of exceptional expenses in 2023 to cover in 2023 or anticipate in 2024 movements linked to the adaptation of the Group's resources in a more unfavorable environment, both in terms of interest rate fluctuations and the evolution of defaults in the loan portfolio.

With regard to these anticipations, the UCI Group's headcount ended 2024 at 574 employees, a decrease of 64 employees compared with the end of 2023.

Despite the drop in overheads, the sharp reduction in the financial margin has kept the efficiency ratio at high levels: it stood at 159% in 2024, up from 132% in 2023, after the level of 40.6% reached in 2022.

5. Non-Performing Loans and Coverage

The 2024 financial year was developed for the Group in continuity with the accounting criteria introduced in 2020 and 2021 following the entry into force for Credit Financial Establishments of Bank of Spain Circular 4/2019.

With regard to the loan portfolio, the Group's doubtful balance, including non-performing loans and subjective doubtful loans, was established at year-end 2024 at €1,109 million, (12.4% of the total balance), down €344 million from €1,455 million at year-end 2023 (15.2% of the balance). The evolution has been divergent according to the three countries in which the Group operates: increase in Portugal (+2.2 million euros) representing 0.2% of the Portuguese balance, reduction of 4.0 million euros in Greece (-2.4% of the Greek portfolio) and reduction of 343 million euros in Spain, representing a decrease of -4.1% of the Spanish portfolio. The UCI Group's doubtful balance has declined month after month continuously since September 2023.

The evolution in Spain can be explained by four fundamental reasons. The first element in terms of volume is the sharp decline (-215 million euros) in the doubtful portfolio for reasons other than non-performing loans. This in turn reflects two trends. First, a natural evolution, as current payment transactions that gave rise to a short- or long-term restructuring in 2023 are out of doubt after twelve months. And then the decrease in non-performing doubtful entries for transactions classified as special surveillance due to a previous restructuring which had experienced one or two defaults: the favorable evolution of interest rates on the variable-rate portfolio reduced this type of assumption in 2024.

Similarly, 2024 saw a sharp reduction in the number of new loans entering the nonperforming loans category. This evolution is due to the combination of two phenomena, one endogenous and the other exogenous. In Spain, UCI has reorganized its recovery teams and practices, updating its functions, missions, policies and priorities. The latter include an increased emphasis on preventing the delinquency of loans with limited arrears. The reduction of these operations reflects the apparent success of these measures. In turn, this reduction has been facilitated by the exogenous factor of the inflection in the evolution of interest rates and the beginning of their decline.

In 2024, the normal process of reducing the non-performing loan portfolio continued due to mortgage collateral repossession processes, either amicable (foreclosure) or judicial (foreclosure).

Finally, the UCI Group disposed of a portion of its Spanish non-performing loans portfolio to institutional investors for a total amount of 63 million euros. 63 million. These disposals represent 49% of the reduction of the nonperforming portfolio in 2024, and 18% of the total reduction of the nonperforming portfolio.

UCI has adapted its management to this evolution with two main components. On the one hand, by fine-tuning its restructuring acceptance policy, adapting it to cover clients with no previous history of arrears whose difficulties stemmed essentially from adverse interest rate trends. On the other hand, by restructuring the network of on-site collection agencies in October 2023, their functions, missions, policies and priorities.

In Portugal, the non-performing loan portfolio was stable from one year-end to the next (‘8.3 million), with the increase in the doubtful balance caused by the rise from 4.5 million to 6.6 million in the subjective doubtful balance. The reduction in the doubtful balance of the Greek portfolio is due to both the reduction in the nonperforming balance (-1.1 million euros) and the reduction in the subjective doubtful balance (-2.9 million euros).

The determination of loan loss provisions has been carried out by applying the internal model, adjusted to IFRS 9.

Credit loss provisions for the entire loan portfolio amounted to EUR 241 million at the end of 2024, a decrease of EUR 63.7 million over 2023 levels. This performance reflects the evolution of the doubtful assets portfolio: provisions for doubtful assets fell by 55.5 million, with a slight increase in the coverage ratio of 0.8%, The residual difference stems from the annual update of the internal model’s provisioning parameters.

Foreclosed asset sales maintained strong activity for the fifth consecutive year, generating a positive impact (€7.3 million in 2024 after €6.9 million in 2023, in line with €7.9 million in 2022, €8.1 million in 2021 and €7.3 million in 2020) on the income statement for the year, as a result of the high provisioning levels for these assets, and the good performance of the real estate market.

Overall, the cost of risk for 2024 was EUR 42.1 million, compared to EUR 84.0 million in 2023, a significant decrease. All the more so if we take into account that the disposals of doubtful portfolios in 2024 had an impact of EUR 20.1 million on this figure: without the impact of this operation, the decrease would have been EUR 62 million.

The coverage ratio of doubtful exposures increased from 18.5% to 19.3%, linked to the higher proportion of loans with payment delays of more than 90 days within the doubtful population. The coverage of this population decreased slightly from 24.8% to 23.5%: loans assigned to investors included the oldest non-performing loans, which as such logically tend to generate higher coverage than the average.

The Group's transitory properties, classified as available-for-sale assets, stood at EUR 121.6 million net book value at the end of 2024, down 24% from EUR 161.3 million at the end of 2023. This decline reflects the good results in the sale of foreclosed properties.

The net balance of transitional properties in Portugal continues to decline towards minimum levels, with a stock of EUR 0.5 million. In Greece, the transitional property portfolio has also remained at very low levels: EUR 1.4 million.

In 2024, the UCI Group intends to maintain its strategy of responsible collection, attentive to the temporary difficulties of customers recently affected by the recent interest rate developments, compatible with a clear focus on the reduction of non-performing assets, and to consolidate the good results in terms of volume and economic impact of the real estate marketing activity. UCI is confident that the inflection in the evolution of interest rates will maintain the reduction of pressure on the most fragile customers in its variable-rate portfolio.

6. Results

The UCI Group recognized an after-tax loss of 69.8 million euros in 2024, after losses of 76.5 million euros in 2023. Before tax, the reduction in losses is greater: from 81.9 million euros to 62.3 million euros.

The reduction in the gross margin by EUR 29.4 million, a direct consequence of the interest rate environment and the one-off impact of the restructuring of part of the liability financing in 2023, is more than offset by the EUR 5.5 million decrease in overheads and the sharp drop in the risk charge of EUR 42 million.

This trend has been combined with the maintenance of a high level of provisions for doubtful accounts compared to previous years.

7. Risks and uncertainties

In relation to the main risks and uncertainties, we can highlight the following:

- Credit risk: due to the nature of the Group's retail business and the large dispersion derived from it, the risks arising from the credit balance and the real estate portfolio do not present significant concentrations in relation to the level of the Group's shareholders' equity.

- Market risk: UCI is subject to the financial, mortgage and real estate markets in the countries in which it operates, inflationary pressures:

  - Have an impact on the monetary policy of central banks, particularly the ECB,

  - Lead to interest rate hikes that may not simultaneously impact the average rates on society's assets and liabilities, although their convergence can be expected once the current cycle of hikes has stabilized.

  - The impact of interest rate hikes may create strains on the budgets of some of UCI's customers. The scope of these tensions does not cover the entire loan portfolio, due to the strategy followed in past years of priority marketing of loans at fixed and mixed interest rates, with a long initial period at fixed rates. Within the Group's variable-rate portfolio, a high proportion of loans are in the advanced repayment stage, thus reducing the impact of rising interest rates. The inflexion movement initiated in October 2023 on monetary interest rates should reduce the stress on customers belonging to the rest of the variable-rate portfolio.

  - Operational risk: In 2024, there were no operational risk incidents with a significant impact. Operating risks are essentially included within the risk systems of Unión de Créditos Inmobiliarios, SA, EFC, as they have the same facilities, the same computer servers and the same levels of access and security to the systems. Within the framework of UCI Group's equity management, operational risk had a consumption of 6.5 million euros in 2024. The equivalent figure was €12.4 million in 2023.

- Litigation risk: During fiscal year 2024, the UCI Group has continued to manage legal proceedings for claims for annulment of clauses, the most relevant grounds being the formalization expenses, the origination fee and the IRPH reference for the calculation of the interest applicable to the loan. In relation to the first reason (the formalization expenses), in June 2024 the SC issued a ruling on the prescription of the action for restitution of the loan formalization expenses, establishing that the "dies a quo" to determine the prescription of the action for restitution begins at the moment in which a final judgment declaring the nullity of the clause is issued, except when the Entity can demonstrate that the customer had knowledge of the possible nullity beforehand, this allows us to assess for each case whether or not there is a possibility of alleging the statute of limitations depending on the information available to us on the possible knowledge of the customer in the specific case. With regard to the issue of the arrangement fee there have been no changes with respect to 2023, specifically, in May 2023 the Supreme Court ruled that the arrangement fee is not part of the price of the contract and therefore its transparency and abusiveness must be analyzed, although it has recognized the validity of the clause provided that it has been reported in a transparent manner and that it is not disproportionate. On the matter related to the IRPH reference index, in December 2024 the CJEU issued a judgment (following a preliminary ruling question raised by the JPI nº 8 of San Sebastián) in which it again supports the validity of the index, although it clarifies the information requirements that the clause must meet in order to pass the transparency control, as well as those that must be taken into account to pass the abusivity control. This ruling does not fundamentally distort or contradict the doctrine of the SC, which will have to pronounce again to adapt or qualify its last ruling.

- During the 2024 financial year, the **average payment period** to UCI's suppliers was 3 days. Given the activity to which the Group is dedicated, there are no relevant issues of an environmental nature.

8. Events subsequent to year end

There are no events subsequent to year-end

9. Investments in research and development

No investments in research and development have been made during the year.

10. Acquisition of treasury stock

There have been no acquisitions of treasury stock during the year 2023.

11. Shareholders' Equity and Solvency Ratios

RDL 309/2020 of February 11, established that, in general, the prudential regulations for credit institutions, in particular Regulation 575/2013 of the European Union (CRR), would be applicable to financial credit institutions. This regulation therefore came into force for the Company and for the UCI Group on July 1, 2020 with a first solvency statement, adjusted to this new regulation, corresponding to December 31, 2020.

In application of this regulation, in January 2022, Unión de Créditos Inmobiliarios, SA, EFC and the UCI Group had seen their own funds requirements revised upwards, in application of Pillar 2 communicated by their regulator, the Bank of Spain, by incorporating a P2R of 2%, as well as an additional P2G. Unión de Créditos Inmobiliarios, SA, EFC and the UCI Group saw their P2R level increase to 1.75% on January 1, 2023, following communication from the regulator received in December 2022. The regulator informed in December 2023 of the upward revision of the P2R to 2%, as well as the increase of the P2G requirement as of January 1, 2024. The requirements have not been altered by the regulator as of January 1, 2025.

At the end of 2024, the Group complied with the requirements to which it is subject: with a solvency ratio of 15.56%, exceeding the minimum 1.56% ratio at the end of the previous year by 66.1 million euros.

Tier 1 capital amounted to 512 million at the end of 2024, i.e. 12.05% of the Group's risk-weighted assets, exceeding the minimum requirements by 23.1 million or 0.55% of assets, and ordinary tier 1 capital showed a surplus of 80.9 million, i.e. 1.91% of weighted assets.

Tier 1 capital included 22 million of contingently convertible bonds. In addition, the UCI Group had 150 million euros of Tier2 capital, representing 3.51% of weighted assets.

The Group's solvency levels, tens of millions of euros higher than the minimum requirements, are a direct consequence of the amount and speed of support from UCI, SA's shareholders. During the 2024 financial year, the shareholders contributed 82 million contingently convertible bonds into shares that UCI SA had issued in 2022, subscribed at that time by its shareholders, as capital and share premium to UCI, SA, the parent company of the UCI Group. The support of UCI, SA's shareholders implicitly reflects the commitment of UCI, SA's shareholder groups to the solvency of the UCI Group and its main company, Unión de Créditos Inmobiliarios, SA, EFC.

12. Expected evolution of the Group

At the beginning of this decade, the health and economic context resulting from the pandemic caused by Covid-19, meant until 2021 an interruption of the dynamism that the economies of the Iberian Peninsula had been experiencing since 2015. However, UCI has overcome this environment: in 2022, it maintained the continued progression of its business activity and the decline in its doubtful balance. And throughout this decade, the reception by the markets of securitization fund transactions, originated with collateral from loans assigned by the Company, have continued to be very well received. On a qualitative level, the achievement in 2020 and the confirmation from 2021 to 2024 of the Great Place to Work certification have demonstrated UCI's ability to adapt to the new environment.

However, inflationary pressures have shaped the economic environment in which UCI operates since the end of 2022, affecting interest rates and its clients' budgets, with the greatest translation of this impact during the 2023 financial year, which saw both a reduction in commercial activity and an increase in the portfolio of non-performing assets. Since then, the decline in inflation rates and the inflection in interest rate levels since the end of 2023 have alleviated these pressures. The 2024 financial year saw a resumption of growth in new loan originations and encouraging results in the reduction of the balance of the nonperforming portfolio, following the restructuring and reprioritization of the recovery network.

These developments have been accompanied by the strengthening of the Group's solvency, with the support of its shareholders through the aforementioned contribution of part of the contingently convertible perpetual securities as new capital.

The UCI Group will continue to manage its business prudently, maintaining a sustainable and responsible management model, focused on meeting the real needs of its customers, and on quality and transparency in all processes. On the product side, UCI will maintain its emphasis on the profitability of its lending activity compared to the search for higher volumes. The evolution of interest rates experienced in 2024 should make it possible to confirm in 2025 the increase in the formalization of new loans in conditions of adequate profitability.

In addition to mortgage financing to individuals, the priority will be the development of financial solutions for the refurbishment and improvement of the energy efficiency of individual homes and homeowners' associations, in line with the priorities of the EU and Spain in its 2030 agenda, making all this compatible with an adequate management of margins, and continuing to develop autonomy in refinancing.

In portfolio management, customer satisfaction, cross-selling, efficiency in the responsible recovery of transactions with defaults or with difficulties in meeting their loan repayments, compatible with a clear focus on the reduction of doubtful assets, the profitable divestment of foreclosed assets and cost control, will continue to be priority axes.

UCI will maintain its strategy of sustainable financing for individuals and homeowners' associations in real estate in the Iberian Peninsula. In 2023, the translation of this priority had been the constitution of the RMBS Green Prado XI fund, the first operation to meet the EU STS criteria and those of the Sustainalytics Green Bond Framework, and which was backed by the EIB Group and the Instituto de Crédito Oficial (ICO) on 75% of the senior bonds issued. In 2024, Sustainable Fitch upgraded UCI's ESG rating to 2, confirming the strategy and efforts recently developed in this area.

UCI's refinancing policy will follow in 2025 the needs generated by new loan origination volumes, in an environment where the pace of loan amortization has accelerated. UCI will maintain the possibility of refinancing on the markets through the contribution of loans from its portfolio to Securitization Funds issued with the collateral of these guarantees, as well as through other sources of financing compatible with the status of Credit Financial Establishment of its main subsidiary and accessible thanks to the two 'Investment Grade' ratings obtained in 2018 and 2019 with the Morningstar agencies DBRS and Fitch Ratings respectively and regularly confirmed and increased at the beginning of 2025 in the case of Fitch Ratings.

13. Statement of Non-Financial Information

In accordance with the provisions of Law 11/2018 of December 28 on non-financial information and diversity, the UCI Group has prepared the consolidated statement of non-financial information relating to the 2024 financial year, which is included as a separate document attached to the consolidated management report for the 2024 financial year, as required by Article 44 of the French Commercial Code.

In compliance with the provisions of Article 253, section one of the current Capital Companies Act, the Board of Directors of U.C.I., S.A. proceeds to prepare these Consolidated Financial Statements and the Management Report corresponding to fiscal year 2024 of U.C.I., S.A. and subsidiaries, comprising the Consolidated Balance Sheet, the Consolidated Profit and Loss Account, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the Consolidated Annual Report and Directors' Report for the year 2024, prepared in accordance with the applicable accounting principles, so that they give a true and fair view of the net worth and financial position of U.C.I., S.A. and subsidiaries as of December 31, 2024 and of the results of their operations, the changes in equity and their cash flows that have occurred during the year then ended.

Madrid, March 28, 2025

D. Matías Pedro Rodríguez-Inciarte

D. Michel Falvert

D. Eric Klesta

Grant Thornton
Paseo de la Castellana, 81
28046 Madrid
T. +34 91 576 39 99
F. +34 91 577 48 32
www.GrantThornton.es

INFORME DE AUDITORÍA DE CUENTAS ANUALES CONSOLIDADAS EMITIDO POR UN AUDITOR INDEPENDIENTE

A los accionistas de U.C.I., S.A.:

Opinión

Hemos auditado las cuentas anuales consolidadas de U.C.I., S.A. (la Sociedad dominante) y sus sociedades dependientes, (el Grupo), que comprenden el balance a 31 de diciembre de 2024, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha.

En nuestra opinión, las cuentas anuales consolidadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera del Grupo a 31 de diciembre de 2024, así como de sus resultados y flujos de efectivo, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha, de conformidad con el marco normativo de información financiera que resulta de aplicación (que se identifica en la nota 2.1 de la memoria consolidada) y, en particular, con los principios y criterios contables contenidos en el mismo.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas* de nuestro informe.

Somos independientes del Grupo de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales consolidadas en España, según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Aspectos más relevantes de la auditoría

Los aspectos más relevantes de la auditoría son aquellos que, según nuestro juicio profesional, han sido considerados como los riesgos de incorrección material más significativos en nuestra auditoría de las cuentas anuales consolidadas del periodo actual. Estos riesgos han sido tratados en el contexto de nuestra auditoría de las cuentas anuales consolidadas en su conjunto, y en la formación de nuestra opinión sobre estas, y no expresamos una opinión por separado sobre esos riesgos.

Estimación del deterioro del valor de los activos financieros a coste amortizado - préstamos y anticipos a la clientela, determinado de forma colectiva

El Grupo evalúa de manera periódica la estimación de las pérdidas por riesgo de crédito de la cartera de préstamos y anticipos a la clientela calculada de manera colectiva, utilizando para ello un modelo interno de cálculo de deterioro por pérdida esperada desarrollado de acuerdo con lo establecido en la Circular 4/2019 de Banco de España, de 26 de noviembre, a establecimientos financieros de crédito, la cual toma como referencia la normativa contable de las entidades de crédito, bien fijando unos criterios análogos a los de estas, bien remitiendo directamente a las normas de la Circular 4/2017 de Banco de España, a entidades de crédito, y sus sucesivas modificaciones. Dicha estimación mediante modelos internos es una de las más significativas y complejas en la preparación de las cuentas anuales consolidadas adjuntas.

Los modelos y metodologías internas de cálculo de deterioro de crédito determinado de manera colectiva, incorporan un elevado componente de juicio para la estimación de las pérdidas por deterioro, considerando aspectos tales como:

- La determinación de las principales asunciones empleadas en el cálculo de los parámetros de probabilidad de impago o incumplimiento (PD – Probability of Default) y de severidad de la pérdida en caso de incumplimiento (LGD – Loss Given Default) de los modelos de pérdida esperada recalibrados.

- Los criterios de identificación y clasificación por fases ("staging") de los activos financieros a coste amortizado- préstamos y anticipos a la clientela.

- Las principales asunciones e hipótesis consideradas en la estimación del valor realizable de las garantías reales asociadas a las operaciones crediticias concedidas.

Estas estimaciones implican un elevado componente de juicio por parte de la Dirección y sobre las cuales hay un alto grado de incertidumbre, tratándose por tanto de una de las estimaciones más significativas y complejas en la preparación de las cuentas anuales consolidadas adjuntas al 31 de diciembre de 2024, por lo que ha sido considerado uno de los aspectos más relevantes de nuestra auditoria. Ver notas 11.g, 13 y 17 de la memoria de las cuentas anuales consolidadas adjuntas al 31 de diciembre de 2024.

Hemos realizado, con la colaboración de nuestros expertos de riesgo de crédito, un entendimiento del proceso de estimación del deterioro del valor de los activos financieros a coste amortizado - préstamos y anticipos a la clientela efectuado por la dirección, sobre las provisiones estimadas colectivamente.

Respecto al control interno, hemos realizado un entendimiento de las principales fases del proceso de estimación del deterioro por riesgo de crédito, incluyendo los procesos de determinación de las principales asunciones empleadas en el cálculo de la pérdida esperada y hemos realizado pruebas de los controles implementados relacionados principalmente con el seguimiento periódico de los riesgos, así como la gestión y valoración de las garantías asociadas a las operaciones crediticias.

Adicionalmente, hemos realizado pruebas de detalle consistentes en:

- Pruebas selectivas de comprobación de la calidad de los datos, mediante la comprobación con documentación soporte de la información que figura en los sistemas y que sirve de base para la clasificación de las operaciones y del correspondiente deterioro, en su caso.

- Comprobación de una muestra de expedientes de riesgos crediticios cuyas coberturas se estiman de manera colectiva con objeto de evaluar su adecuada clasificación, la identificación de refinanciaciones y sus curas.

- Comprobaciones selectivas para los modelos principales, con respecto a: i) métodos de cálculo y segmentación; ii) metodología de estimación de los parámetros de pérdida esperada (probabilidad de incumplimiento y severidad de la pérdida), iii) datos utilizados y principales estimaciones empleadas, en especial la información relativa a escenarios, sus asunciones y sensibilidades iv) criterios de clasificación de los préstamos por fases y v) recalibraciones y pruebas retrospectivas (*backtesting*) efectuadas sobre los modelos internos.

GrantThornton

- Re-ejecución del cálculo de provisiones colectivas según los parámetros obtenidos de los modelos de pérdida esperada y contraste de los resultados con los obtenidos por la dirección del Grupo.

- Comprobación de una muestra de tasaciones para evaluar si se ajustan a la normativa en vigor, su razonabilidad y su grado de actualización.

Asimismo, hemos verificado que la memoria adjunta incluye los desgloses de información que requiere el marco normativo de información financiera aplicable.

Sistemas de tecnología de la información

La operativa y continuidad del Grupo, así como la información financiera del mismo tienen una gran dependencia de los sistemas de tecnología de la información (TI), por lo que un adecuado control sobre los mismos es relevante para garantizar el correcto procesamiento de la información, y es por ello por lo que se ha considerado uno de los aspectos más relevantes de nuestra auditoría.

Asimismo, conforme los sistemas se hacen más complejos, aumentan los riesgos sobre los sistemas de información de la organización y, por tanto, sobre la información que procesan.

En este contexto, la efectividad del marco general de control interno de los sistemas de información es un aspecto fundamental para soportar la operativa del Grupo, así como el proceso de registro y cierre contable.

Con la colaboración de nuestros especialistas en sistemas de tecnología de la información, nuestro trabajo ha consistido en la evaluación y verificación del entorno de control interno en relación con los principales sistemas, bases de datos y aplicaciones que soportan la actividad principal del negocio con impacto en la información financiera del Grupo.

Básicamente, nuestro trabajo ha consistido en el análisis de:

- Los controles internos establecidos por el Grupo en la adquisición, desarrollo y mantenimiento de la tecnología con el objetivo de minimizar el riesgo de modificaciones o nuevas funcionalidades indebidas a programas en producción.

- Los procedimientos de control implantados por el Grupo en el área de administración de la seguridad de la infraestructura tecnológica y las aplicaciones.

- Los procedimientos definidos por el Grupo en la gestión de incidencias en la tecnología y en los sistemas de información.

Otra información: Informe de gestión consolidado

La otra información comprende exclusivamente el informe de gestión consolidado del ejercicio 2024, cuya formulación es responsabilidad de los administradores de la Sociedad dominante y no forma parte integrante de las cuentas anuales consolidadas.

Nuestra opinión de auditoría sobre las cuentas anuales consolidadas no cubre el informe de gestión consolidado. Nuestra responsabilidad sobre el informe de gestión consolidado, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en:

a) Comprobar únicamente que el estado de información no financiera consolidado, se ha facilitado en la forma prevista en la normativa aplicable y, en caso contrario, a informar sobre ello.

b) Evaluar e informar sobre la concordancia del resto de la información incluida en el informe de gestión consolidado con las cuentas anuales consolidadas, a partir del conocimiento del Grupo obtenido en la realización de la auditoría de las citadas cuentas, así como en evaluar e informar de si el contenido y presentación de esta parte del informe de gestión consolidado son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito anteriormente, hemos comprobado que la información mencionada en el apartado a) anterior se facilita en la forma prevista en la normativa aplicable y que el resto de la información que contiene el informe de gestión consolidado concuerda con la de las cuentas anuales consolidadas del ejercicio 2024 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

Responsabilidad de los administradores de la Sociedad dominante en relación con las cuentas anuales consolidadas

Los administradores de la Sociedad dominante son responsables de formular las cuentas anuales consolidadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados consolidados del Grupo, de conformidad con el marco normativo de información financiera aplicable al Grupo en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales consolidadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales consolidadas, los administradores de la Sociedad dominante son responsables de la valoración de la capacidad del Grupo para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los citados administradores tienen intención de liquidar el Grupo o de cesar sus operaciones, o bien no exista otra alternativa realista.

Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales consolidadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión.

Seguridad razonable es un alto grado de seguridad, pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales consolidadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales consolidadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.

- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno del Grupo.

- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores de la Sociedad dominante.

Grant Thornton

- Concluimos sobre si es adecuada la utilización, por los administradores de la Sociedad dominante, del principio contable de empresa en funcionamiento y basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad del Grupo para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales consolidadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que el Grupo deje de ser una empresa en funcionamiento.

- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales consolidadas, incluida la información revelada, y si las cuentas anuales consolidadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.

- Planificamos y ejecutamos la auditoría del grupo para obtener evidencia suficiente y adecuada en relación con la información financiera de las entidades o de las unidades de negocio del Grupo como base para la formación de una opinión sobre las cuentas anuales consolidadas. Somos responsables de la dirección, supervisión y revisión del trabajo realizado para los fines de la auditoría del Grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con los administradores de la Sociedad dominante en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

Entre los riesgos significativos que han sido objeto de comunicación a los administradores de la Sociedad dominante, determinamos los que han sido de la mayor significatividad en la auditoría de las cuentas anuales consolidadas del periodo actual y que son, en consecuencia, los riesgos considerados más significativos.

Describimos esos riesgos en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

Grant Thornton, S.L.P. Sociedad Unipersonal

ROAC nº S0231

Álvaro Fernández Fernández

ROAC nº 22.876

17 de junio de 2025

AUDITORES
INSTITUTO DE CENSORES JURADOS DE CUENTAS DE ESPAÑA

GRANT THORNTON, S.L.P.

2025 Núm. 01/25/01232

SELLO CORPORATIVO: 96,00 EUR

Informe de auditoría de cuentas sujeto a la normativa de auditoría de cuentas española o internacional

06 Risk Management

01

Risk Management

1.1. Executive summary and key points

This section provides a summary of the UCI Group's risk management and profile in 2024 through its main indicators and performance. See the different sections for additional information on each type of risk.

Global risk profile

In 2024, the most noteworthy aspects of the macroeconomic situation both worldwide and in Spain were as follows:

- Economic growth: The world economy grew at a moderate rate, with significant variations across regions and sectors. In Spain, GDP growth was slower than expected, but remained on a gradual recovery path.
- Inflation: The disinflation process was consolidated at global level, although inflationary pressures in services showed resistance. In Spain, inflation decelerated more than expected, but still remained above pre-pandemic levels.
- Monetary policy: The central banks, such as the European Central Bank and the Federal Reserve, faced up to the challenge of balancing inflation control with support for economic growth. In Europe, the loosening of monetary policy was more marked than in the United States.
- Financial markets: Increases in the returns on long-term sovereign debt were seen in the world's leading economies. In Europe, sovereign spreads against the German Bund decreased in Spain and Italy, but increased in France.
- Energy prices: Crude prices were below the expected levels due to weak demand from China, while natural gas prices rallied as a result of supply disruptions.
- Employment and confidence: In Spain, employment and confidence indicators showed signs of weakness, although with a trend towards gradual improvement.

In the above macroeconomic environment, the UCI Group ended the year 2024 with a medium-high risk profile, mainly due to credit risk and interest rate changes with an adverse impact on profitability. At individual and consolidated level, the company satisfactorily meets the established prudential requirements for credit finance establishments.

Credit and concentration risk

This is the main risk to which the UCI Group is exposed, and is largely determined by its business model, focused on retail mortgage lending.

The weight of the portfolio prior to 2012 and the non-performing loan (NPL) and non-performing asset (NPA) ratios mean that the credit risk profile is high. However, the credit quality of the mortgages signed subsequent to (and including) 2012 has improved substantially and had a positive impact on the exposure to this risk, as their relative weight in the balance sheet has increased. As at the 2024 year-end, this portfolio represented 48.6%.

With regard to the mortgages signed subsequent to (and including) 2012, the NPL ratio is 0.86%, and the main lending risk indicators in lending have performed strongly.

Given the level of delinquency, and taking into account the supervisory requirements, the plan for the reduction of non-performing assets was updated. The company ended the year with a highly satisfactory level of fulfilment of the forecasts established in the plan with regard to the NPL and NPA ratios.

In the year 2024, the following transactions were carried out for the sale of non-performing portfolio and bad loans:

- In August, a transaction for the sale of non-performing portfolio (396 loans) for an amount of €47.5 million, contributing to an improvement of 0.45% in the NPL ratio.
- In November, a transaction for the sale of non-performing portfolio (95 loans) for an amount of €15.5 million, contributing to an improvement of 0.15% in the NPL ratio.
- In September, a transaction for the sale of bad loans for an amount of €480 million.

In 2024, the credit risk strategy was focused on::

- - Fulfilment of the plan for the reduction of non-performing assets on the basis of the established forecasts.
- Transaction for the sale of non-performing portfolio or bad loans.
- Reinforcement of the strategy to reduce the restructured portfolio, guaranteeing sufficiently specialised personnel and appropriate sizing.
- Corporate reorganisation with regard to the functions of the lending and credit risk area.
- Simplification and consolidation of the credit risk documentary framework.
- Optimisation of the risk criteria established in the lending policy.
- Integration of ESG factors into lending and its monitoring.

The credit concentration risk does not have any significant concentrations by area, product, customer type or sales channel. We continue to avoid any type of significant sector or individual concentration, without any deviation from the regulatory ratios.

In 2024, the concentration risk strategy was focused on:

- Optimisation of high credit-quality lending in geographical areas that do not constitute large urban centres, avoiding areas with a high level of physical risk.
- Focus on the mixed mortgage, in line with the macroeconomic situation.
- Increase in the concentration of non-resident customers with high credit quality.

Balance sheet structural interest rate risk

The interest rate changes seen in the year 2024 did not lead to a breach of any regulatory indicator or indicator established by the Board of Directors.

The company has consolidated the incorporation of the aspects established in the EBA Guidelines on interest rate risks for banking book (IRRBB) and the assessment and monitoring of credit spread risk arising from non-trading book activities (CSRBB) (EBA/GL/2022/14), with compliance being achieved in all shock scenarios.

In 2024, the balance sheet structural interest rate risk strategy was focused on:

- Reduced exposure to interest rate risks for banking book (IRRBB), with conservative risk appetite limits.
- Monitoring of the market environment and interest rate changes, analysing the impacts of the range of rates and the gap between the Mortgage Loan Benchmark Index (IRPH) and the Euribor.

Market risk

The reduction in the stock of foreclosed assets, the uptick in valuations and the overall capital gains obtained on sales (+€6.1 million) have resulted in a downward trend in this risk.

In 2024, the market risk strategy was focused on:

- Marketing of foreclosed assets.

Operational risk

The application of the Standardised Approach (TSA) when calculating the operational risk capital requirements resulted in an amount of €6.3 million in this regard, representing 1.06% of the company's total capital requirements.

In the year 2024, the company's Operational Risk Management System recorded 72 operational risk events at a cost of €0.16 million (€0.27 million in 2023). Only 2 events exceeded the €20,000 threshold.

With regard to the DORA Regulation, the supervisor notified the company of the non-applicability of this regulation, albeit that in accordance with best market practice criteria, the main aspects established in the Regulation have been implemented under the principle of proportionality.

The implementation of a Third-Party Risk Management (TPRM) system has reinforced the analysis of ICT risks in the procurement of new services, and specifically in the outsourcing of core functions, in compliance with the requirements established in Circular 2/2016 and the Guidelines on outsourcing arrangements (EBA/GL/2019/02).

In 2024, the operational risk strategy was focused on:

- Obtaining the ISO 22301 certification and renewing the ISO 27001 certification, guaranteeing the continuity of the business and information security.
- Adaptation to the regulatory changes focused on operational resilience. DORA gap analysis.
- Implementation of the Third-Party Risk Management (TPRM) system.
- Continuous improvement of the internal models in order to adapt them to the supervisory expectations.

Reputational risk

This risk is associated with changes in the perception of the Group and its component brands, where an action, event or situation could have a negative or positive impact on the organisation's reputation. Determined by the inherent risk of the mortgage sector, it is no different to that of its peers.

The main metrics of this risk indicate a high degree of customer satisfaction in lending and its monitoring.

In 2024, the reputational risk strategy was focused on:

- Improvements to the corporate website and customer website.
- Simplification and enhancement of the brand image.
- Development of improvements in the double materiality assessment methodology in order to identify stakeholder expectations.
- Corporate reorganisation.

Strategic risk

Interest rate changes have had an adverse impact on profitability due to the structure of the company's portfolio. Accordingly, implementation of the business plan has continued, with measures and policies being established to enable a gradual increase in the generation of recurring income through the company's core business with a view to improving profitability.

The plan for the reduction of non-performing assets is a fundamental part of the success of the company's business plan. Although it has improved the company's NPL ratio and balance sheet structure, the sale of non-performing portfolio and bad loans has had an adverse impact on profitability of €21.7 million and €1.5 million, respectively.

In 2024, the strategic risk strategy was focused on:

- Delivery of the business plan on the basis of the supervisory expectations.
- Optimisation of the design and monitoring of the strategic plan.

ESG risk

At UCI, we are gradually integrating environmental, social and corporate governance factors into our risk management and cross-cutting risk management processes. These factors include the risk appetite, lending and the emerging risk identification exercise.

The Fitch credit rating agency has improved UCI's ESG rating from to '2' from '3', which reflects the company's positive ESG performance and the integration of ESG considerations into its business, strategy and management.

For the fifth consecutive year at UCI España, we achieved the Great Place to Work certification awarded by the Great Place To Work consulting firm, a leader in the identification and certification of Excellent Places to Work. Our subsidiary in Portugal also achieved this certification for the fourth consecutive year.

In 2024, the ESG strategy was focused on:

- Risk appetite: in the annual risk appetite statement, we have approved new quantitative metrics for environmental and social risks.
- Risk culture: the corporate risk culture has been reinforced at all levels of the company, with areas related to risk management and internal control being more comprehensively integrated into the Board's Audit and Risk Committee.
- Lending: adaptation of the company's internal policies through the integration of environmental and social factors into the lending and loan monitoring process.
- Sustainable products: we continue to promote the purchase of energy efficient housing and restoration of the real estate stock.
- Physical risks: consolidation of a comprehensive approach to assess the physical risks of the collateral that backs our loans. The methodology used is based on the physical risk assessment model developed by a renowned valuation firm.
- Green bonds: we continue to work on new Residential Mortgage-Backed Security (RMBS) securitisation funds that meet the European STS (Simple, Transparent and Standardised) criteria established in the Securitisation Regulation (EU) 2017/2402, as well as in Sustainalytics' Green Bond Framework.
- Employees: continuity of the Equality Plan on the basis of the standards required by the Government through Royal Decree 901/2020.
- Internal governance: the Internal Control Framework has been reinforced through the completion of a project reviewing the company's key documentary framework, assigning appropriate governance and guaranteeing compliance with all the requirements established in the different frameworks, policies and internal procedures.

Capital risk

The UCI Group has a leverage ratio and a level of capital that meet the minimum regulatory requirements, including P2R and the supervisory expectation P2G.

We have a total SREP capital requirement (TSCR) ratio and overall capital requirements (OCR) that are in line with the specifications established by the supervisor and the internal objectives set by the company.

In the year 2024, our level of solvency enabled the absorption of the impacts arising from the plan for the reduction of non-performing assets through the sale of non-performing portfolio or bad loans.

The latest resistance test (FLESB) once again demonstrated the strength of our business model and the fact that our levels of solvency are therefore sufficient to cope with severe macroeconomic scenarios.

Credit risk stands out in the distribution of the risk-weighted assets (RWAs), given that this is our main activity (98.9% of the total).

In 2024, the solvency risk strategy was focused on:

- Compliance with the total SREP capital requirement (TSCR) ratio and the overall capital requirements (OCR).
- Design of solvency strategies for optimisation of the RWAs.
- Regulatory adjustments in the calculation of the leverage and capital ratios.

Liquidity and funding risk

Our risk profile remained stable despite the increase in the adaptation factor for the calculation of the LCR and NSFR regulatory ratios. Both indicators were above the limits, maintaining a strong liquidity buffer.

The objectives for repayment of the funding lines taken up were achieved in line with our self-funding strategy.

Compliance with the sustainable lending commitments in line with the criteria of the European Investment Bank, the European Investment Fund and sustainability rating firms such as Sustainalytics.

In 2024, the liquidity and funding risk strategy was focused on:

- Optimisation of HQLAs through the adjustment of the maturity dates of funding lines, acquisition of sovereign debt and investment grade corporate bonds.
- New sustainable lending commitments.

1.2. Top risks and emerging risks

By means of a forward-looking analysis of the unit, we identify and assess the main threats and vulnerabilities (top risks) that could have a significant impact on the strategic plan or compromise the company's viability in the future. The aim is thus to minimise any potential negative impacts which, if they should occur, could be mitigated through the establishment of specific previously defined action plans.

The assessment of the main vulnerabilities is based on the individual classification of the top risks, which are grouped into 5 categories.

Macroeconomic and geopolitical uncertainty

- Business continuity, operational resilience, crisis management and disaster response
- Changes in the market, competition and changes in consumer behaviour
- Financial, liquidity and insolvency risks

Third-party risks

- Changes in laws and regulations
- Supply chain, outsourcing and "nth" party risk

Talent and diversity management

- Human capital, diversity, talent management and retention
- Organisational culture

Climate risk, biodiversity and sustainability

- Climate change, biodiversity and environmental sustainability
- Health, safety and protection

Cybersecurity and data protection

- Digital disruption, new technologies and AI
- Organisational governance and corporate reports
- Fraud, bribery and criminal exploitation of disruption
- Communications, reputation and relations with stakeholders

02

2. Risk management and control model

2.1. Risk principles and culture

At the UCI Group, we consider risk as an inherent factor in the business carried out. Its proper analysis, measurement and management contributes to the achievement of appropriate margins and maintenance of the company's solvency and liquidity levels. In the development of risk management systems and models, we use best market practices as a benchmark, including those implemented by our shareholders.

Through the implementation of a risk management system (RMS), our risk management function (hereinafter referred to as the RMF) implements a process where the risks to which company is exposed are managed in a holistic, organised and methodological manner, requiring the cooperation of all levels of the organisation. This makes the RMS a cross-cutting, proactive and dynamic process.

Its main objective is to protect and create value in the company, improving decision-making and the achievement of objectives by helping to anticipate threats and opportunities. The ultimate objective is to support the strategic decisions made when defining the different management policies, including the acceptance of risk.

The objectives that the RMS includes in each of its phases are as follows:

- Identification of the main risks to which the company is exposed and implementation of a corporate risk map.
- Definition of key risk indicators (KRIs), as well as assessment of the control environment and the business model in order to determine the risk profile.
- Formulation and monitoring of the risk appetite that the company deems it reasonable to accept in the implementation of its business strategy, as well as definition and integration of the risk culture at all levels of the organisation.
- Assessment of the capital and liquidity requirements according to the approach taken by the regulator.
- Monitoring of risks, follow-up of action plans and issue of reports based on the standards established by the regulator or the stakeholders.

Risk culture

Having a sound risk culture is crucially important and one of the keys that will enable the UCI Group to respond to changes in economic cycles, new customer demands and increasing competition, thereby positioning itself as a company which is trusted by all its stakeholders.

One of the pillars on which the development of a risk culture is founded is an RMS which is implemented across the whole company and integrated into the Group's strategy, operations and culture.

Excellence in risk management is thus one of the strategic priorities set by the Group. This means consolidating a strong risk culture throughout the organisation and ensuring that it is known and applied by all the employees of the UCI Group.

Our risk culture is defined on the basis of five principles:

1. **Commitment.** The risk culture is based on the commitment and participation of all units and employees (irrespective of the function they perform) and should be embedded and integrated as a "lifestyle" rather than an imposition.

2. **Responsibility.** All units and employees must know and understand the risks involved in their daily activities and be responsible for the identification, assessment and management and reporting of such risks in a comprehensive and transparent manner.

3. **Simplicity.** The risk culture should be adapted to the Group's business model, with processes and decisions that are clear, documented and comprehensible to both employees and customers.

4. **Customer focus.** All risk actions are focused on the customers and their long-term interests. The Group's vision is to be a leader in specialised real estate finance and to earn the trust and loyalty of our employees, customers, shareholders and society. The way to achieve this is to proactively contribute to the progress of our customers through excellent risk management.

5. **Experience.** Our previous experience will enable us to prevent the occurrence of adverse events. This experience will be gained through a dynamic and evolving learning process that will be shared and transferred to all levels.

Dissemination of the risk culture is a process of continuous improvement supported by a number of actions based on communication, training and development and technological support from the RMS.

2.2.Corporate risk map

Classification of the risks faced by the UCI Group enables the effective management, control and communication of these risks. Our corporate risk map includes the following areas of risk:

Credit and concentration risk: the risk of financial loss caused by default or deterioration of the credit quality of a customer or a counterparty whom the UCI Group has financed or to whom it has undertaken a contractual obligation. Concentration indicates a lack of diversification from the point of view of geographical exposure, customer type, specific products or sales channel.

Balance sheet structural interest rate risk: the exposure to which the company is subject as a consequence of adverse interest rate movements. This sensitivity is determined by mismatches in the maturity and review dates of the interest rates of different balance sheet items.

Capital risk: this risk relates to the company's ability to generate funds to meet, under the agreed conditions, the commitments made to third parties. Solvency is closely linked to credit risk, as it represents the possible loss to the company that would result from a change in conditions and characteristics, which could affect the company's ability to meet the contractual terms of its transactions.

Liquidity and funding risk: the risk of not having the necessary liquid financial resources to meet contracted obligations when they fall due, or of such resources only being obtained at a high cost.

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

Operational risk: the risk of incurring losses due to inadequacies or failures of processes, employees or internal systems, or as a result of external events. It includes legal risk and regulatory compliance and conduct risks.

Reputational risk: the risk of a real or potential negative economic impact due to an adverse perception of the bank by employees, customers, shareholders/investors and society in general.

Strategic risk: the risk of loss or damage resulting from strategic decisions (or poor implementation thereof) that affect the medium and long-term interests of our key stakeholders, or the inability to adapt to a changing environment.

ESG risk: this includes the environmental factor (E), concerning decisions made on the basis of how companies' activities affect the environment, the social factor (S), which takes into account the repercussions that the activities carried out by the company have in the community, and the governance factor (G), which assesses the impact that the shareholders and directors themselves have, and is based on questions such as the structure of the board of directors, shareholders' rights and transparency, among others.

2.3. Risk governance

Our risk governance structure enables us to carry out effective oversight in line with our risk appetite. It is supported by the three lines of defence model, our committee structure and a sound risk culture.

Lines of defence

The UCI Group has a three lines of defence model in place to effectively manage and control risks:

- **First line:** the business functions that take or generate exposure to risk are the first line of defence. The first line of defence identifies, measures, controls, monitors and reports on the risks arising and applies the internal regulations governing risk management. The generation of risks must be in line with the approved risk appetite and associated limits.
- **Second line:** the risk management and compliance functions make up the second line of defence, which independently oversees and challenges the risk management activities carried out by the first line of defence. Within its respective areas of responsibility, this second line of defence must ensure that the risks are managed in accordance with the risk appetite defined by senior management and promote a strong risk culture throughout the organisation.
- **Third line:** the third line of defence is made up of an independent internal audit function which assures the Board of Directors and senior management that the internal controls, governance and risk management systems are of sufficient quality and efficacy, helping to safeguard our 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 committee structure

The Board of Directors is ultimately responsible for risk management and control. It reviews and approves the risk frameworks and risk appetite and promotes a sound risk culture throughout the organisation. The Chief Risk Officer (CRO) establishes the risk management strategy, promotes an appropriate risk culture and is responsible for overseeing all risks, as well as challenging and advising the different business lines on their risk management.

The CRO has direct access and reports to the Board's Audit and Risk Committee and to the Board of Directors.

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

	Joint Audit and Risk Committee of the Board	Risk Management Committee
Functions	Advise the Board of Directors on the entity's overall current and future risk appetite and its strategy in this area, and assist in overseeing the implementation of that strategy. This committee is responsible for risk management, in accordance with the powers delegated by the Board. The committee does not approve or make decisions to take on additional risk; it is not an executive committee – its role is to inform the Board.	This committee is responsible for risk management and for providing a holistic view of risks. It determines whether the business lines are managed in accordance with the risk appetite. It also identifies, monitors, and assesses the impact of current and emerging risks on the Group's risk profile.
In charge	Independent Director	Chief Risk Officer (CRO)
Composition	Executive directors appointed and other members of senior management (CEO), with representation from the risk management, compliance, and internal audit functions.	Members of senior management and the risk management, compliance, finance, and general intervention functions.
Frequency	At least once a year	Every three months

2.4. Management processes and tools

Risk appetite and limit structure

At the UCI Group we carry out comprehensive risk management in which the definition and control of the risk appetite is a key element. In this context, our risk appetite framework (RAF) formalises the appropriate articulation of the risk decision-making process, the definition, level and composition of the risks the Group wishes to accept in its activities, and the mechanism for oversight and monitoring of risks.

The risk appetite framework includes the risk appetite statement (RAS). This sets out in writing the aggregate level of the types of risk that the UCI Group is willing to avoid, reduce, share or accept in order to achieve its strategic objectives.

The Board of Directors establishes the risk appetite for the whole Group on an annual basis and the RMF is responsible for management of the risk profile in line with the established risk appetite.

The main elements on which our risk appetite is based are as follows:

- A medium-low and predictable target risk profile, predominantly focused on retail mortgage lending.
- A sound capital and liquidity structure, with risk profiles that do not compromise the viability of the Group.
- An independent RMF with the active involvement of senior management to strengthen a sound risk culture and a sustainable return on capital.
- A remuneration policy which aligns the interests of employees and executives with the Group's risk appetite and long-term results.

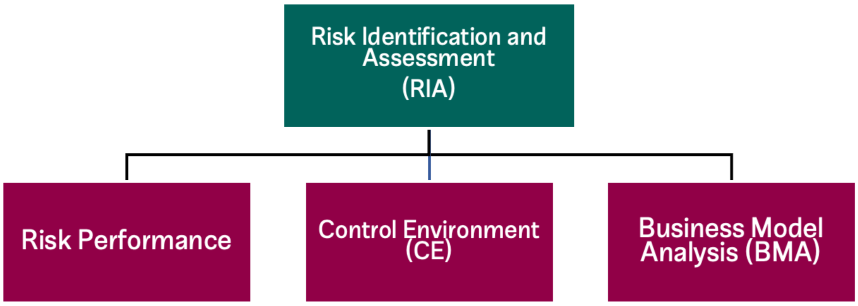
Risk Identification and Assessment (RIA)

At the UCI Group we assess the company's risk profile in a systematic manner, using a unique and robust methodology which enables an analysis of all the types of risk to which we are exposed, in accordance with the identified corporate risk map. It also produces results at different levels by risk type and unit, through a scoring system that classifies the profile into four categories: low, medium-low, medium-high and high.

The Risk Identification and Assessment (RIA) methodology, which is aligned with our shareholders' methodology and best market practices and uses as a benchmark the supervisory guidelines established in the SREP exercise, is based on the core principles of the risk identification and assessment model. These include the following: self-assessment and adequacy of the exercise, efficiency, a holistic and comprehensive view of risk through the use of common methodologies, convergence and alignment for decision-making purposes.

The three lines of defence all participate in the exercise, reinforcing our risk culture by analysing how risks evolve, and identifying areas for improvement.

The evaluation of the risk profile is comprised of the following blocks:



- Risk performance, which enables measurement of the profile of exposure to each type of risk.

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

- Business model analysis. A prospective analysis, it assesses the potential threats which could have an impact on business planning and strategic objectives.

Scenario analysis

A key tool for ensuring robust risk management and control is the analysis of the possible impacts arising from different scenarios related to the environment in which the Group operates, with a view to determining the capital and liquidity requirements.

Accordingly, at the UCI Group we carry out internal capital and liquidity adequacy assessment processes (ICAAP) in which the company applies its methodology to assess the capital and liquidity levels under different scenarios based on the adverse performance of different macroeconomic variables (GDP, interest rates, employment, house prices and credit spread).

Risk reporting structure

In order to provide senior management with a complete and up-to-date overview of the risk profile, the Enterprise Risk Management team regularly reports on and consolidates the risks so that appropriate decisions may be made in a timely manner.

We have two types of risk reports:

1. Risk Management Report (quarterly): this report is submitted to the Risk Management Committee and distributed to senior management.

2. Risk Management Report (Board): this report is submitted to the Board's Audit and Risk Committee and distributed to the designated executive directors and member of senior management.

03

Corporate risks

3.1. Credit and concentration risk

Credit and concentration risk management

Credit risk is defined as the risk of financial loss caused by default or deterioration of the credit quality of a customer or a counterparty. It is our most significant risk, in terms of both exposure and capital consumption, and includes the credit risk in lending, on the balance sheet, and in the analysis of collateral and coverage.

Lending

Our business strategies and risk policies guarantee an overview of the portfolios, establishing business objectives and defining specific action plans in line with our risk appetite statement.

The risk approval criteria included in our lending policy include the review of three key concepts from a risk point of view: borrower, collateral and transaction. The main objective of the policy is to ensure the creditworthiness of the customer and the consistency of the transaction.

The first step is to assess the borrower's ability to pay, in order to ensure that the financial obligations undertaken will be met in a timely manner, taking into account only the borrower's regular income without relying on guarantors, co-signers or assets provided as collateral (considered an exceptional method of recovery).

In order to assess the borrower's creditworthiness and risk profile, UCI will have sufficient, precise and up-to-date information and data (prior to formalisation of the loan agreement) related to the purpose of the loan (employment, sources of income as proof of the ability to pay, household composition and dependents, commitments and regular expenses associated with such commitments). All of this information will be used to assess the personal guarantee of the parties to the loan.

As a second basic element of the transaction, UCI carries out an accurate valuation of the collateral through authorised appraisal companies. This valuation forms the basis for determining the ratio between the amount of the requested loan and the value of the collateral.

All the documents that have been used as the basis or in support of the decision will be adequately traceable in the company's systems, with the dual objective of complying with the regulatory framework and facilitating future reviews, both at internal level and by third parties. All the documentation that has been used in the appraisal of the transaction, as well as the information taken from it and used to measure the viability and to decide on the transaction, in addition to the decision on the viability of the transaction made jointly with the responsible decision-making body, will be recorded in an easily accessible computer format.

In order to analyse our customers' ability to meet their contractual obligations, we use parameter assessment and estimation models in each of our segments.

1. Rating: The Customer Rating model segments the portfolio classified as normal risk according to its default risk. This segmentation is based on predictive behavioural models, calculated on the basis of historical data from the UCI España Retail portfolio. Each transaction is assigned a Risk Rating based on its current status and past performance. This Rating is updated monthly for all transactions.

2. Scoring: The Credit Scoring model is an algorithm which enables the credit risk of a person applying for a loan to be automatically assessed. The model is able to estimate the probabilities of default by customers and assigns a metric which enables borrowers to be compared and ranked according to their default risk. The objective of these models is to find patterns of behaviour in the customer portfolio.

Changes to terms and conditions and recovery management

The Recoveries Department follows the requirements set out in the EBA Guidelines on the management of non-performing, refinanced and forborne exposures. Recovery management is divided into four phases: watchlist or early default, recovery of non-performing loans, recovery of bad loans and management of foreclosed assets. We constantly seek alternatives to court debt recovery proceedings.

In line with the principle of customer protection, and in order to facilitate the fulfilment of customers' payment commitments, the Recoveries Department plays an important role in our risk management and control as far as changes to the terms and conditions of a transaction are concerned. This is where a customer seeks an improvement in the financial conditions or is facing difficulties making full payment of the loan instalment.

If there is a change to the financial terms and conditions of a customer who wishes to subrogate to another bank or improve the conditions of their current loan, UCI has different solutions for the assessment and renegotiation of improved terms and conditions on the loan. These can be applied in response to requests by customers following a prior assessment of both the transaction and the customer.

Credit risk assessment, monitoring and control

Regular monitoring of business performance against the strategic plans is an essential part of our risk management. The credit risk function and the risk management function regularly monitor and assess credit risk indicators, enabling the early detection of impacts on risk performance and credit quality. Moreover, any trends or deviations in the key risk indicators are monitored in line with our risk appetite statement, action plans are implemented, responsible parties are identified, and monitoring frequency is established.

Classification of transactions based on credit risk due to insolvency

Loans are granted under the premise that the debt will be repaid in accordance with the conditions established in the agreement. When the loan is granted, the transaction is therefore classified as normal risk. This classification will be maintained for as long as the customer meets their contractual obligations.

However, according to the customer's payment behaviour, the classification of the debt may be subject to change if the customer's creditworthiness deteriorates. In the same way, the classification of the debt may improve if the customer regains any lost creditworthiness.

The criteria for the accounting classification and the level of provisioning required for each of the defined classifications are managed by the Financial Controller area.

Coverage of credit risk loss due to insolvency

The main objective of provisioning for loans is to have the necessary resources to cover the anticipated potential losses on assets and to anticipate their impact on the profit and loss account where such losses are recorded.

The provisioning model is based on an estimate of the Expected Loss (EL) that could be incurred on the loan in the future if it reaches the end of its usual impairment cycle. It assesses the loans and makes a provision for the potential loss which could be incurred if the loan becomes non-performing, or if there is a foreclosure, payment in kind or enforcement of the mortgage guarantee to cancel the customer's debt and, finally, if UCI proceeds with the sale of the foreclosed real estate assets.

In accordance with current solvency regulations, the credit risk is covered by means of the existence and control of own funds to absorb the risks assumed, as well as through the establishment of provisions to cover insolvencies. This coverage is classified into specific coverage for non-performing and delinquent loans (the objective of which is to cover exposures to defaults or transactions with doubtful full repayment) and normal risk coverage, which is in turn classified into normal risk coverage and watchlist normal risk coverage. The latter corresponds to coverage of transactions that have weak creditworthiness, but do not raise doubts as to their full repayment.

Core metrics

In the year 2024, an amount of €446.8 million (€402.4 million in 2023) was loaned, with satisfactory lending metrics: loan to value of 57.5% (55.9% in 2023), a personal contribution rate of 37.2% (37.5% in 2023), an affordability rate of 28.8% (29.5% in 2023) and a cost of risk of 0.12% (0.09% in 2023).

The implementation of the plan for the reduction of non-performing assets has led to a highly satisfactory decrease in the non-performing loans (NPL) ratio and the non-performing assets (NPA) ratio, which in December 2024 stood at 12.43% and 13.93%, respectively (15.23% and 17.03% in 2023).

Due to our business model, mention should be made of the high quality of the collateral, which is mostly concentrated in exposures to residential properties used as a primary residence. As at the year-end, 97.5% of the portfolio value was covered by mortgage collateral.

As at the year-end, the total provisions held in relation to the lending portfolio classified as non-performing delinquent loans represented an NPL coverage rate of 19.33% (18.56% in 2023).

With regard to credit risk concentration, the UCI Group carries out continuous monitoring of the degree of concentration based on different relevant dimensions: sector, individual, geography, customer, product and channel.

With regard to sector concentration, the company's direct risk is grouped together, without taking into account the risk of individuals (except the risk arising from business activities carried out), into the twelve economic activity groups included in the sections and codes of the 2009 National Classification of Economic Activities (CNAE).

With regard to individual concentration, the company's total direct risk is determined (using the same criteria as in the calculation of the sector concentration ratio) by taking the 1,000 borrowers with the largest direct exposure, whatever their legal status or form. When several borrowers are connected, because they constitute an economic group or decision-making unit, they are grouped together and considered as a single risk.

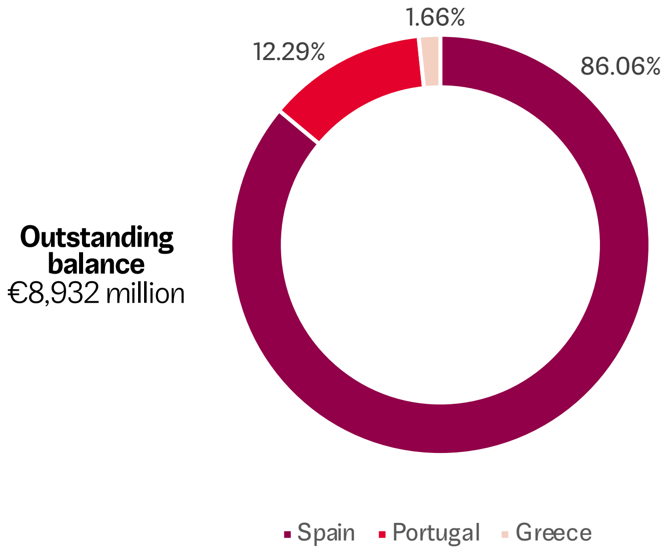
The sector and individual concentration ratios are within the regulatory limits - ICR 0.0003% (0.0003% in 2023) and SCR 2.1% (3.1% in 2023).

The UCI Group is subject to the large exposure regulation, according to which an institution's exposure to a customer or group of connected customers will be considered a "large exposure" when its value is equal to or more than 10% of its Tier 1 capital.

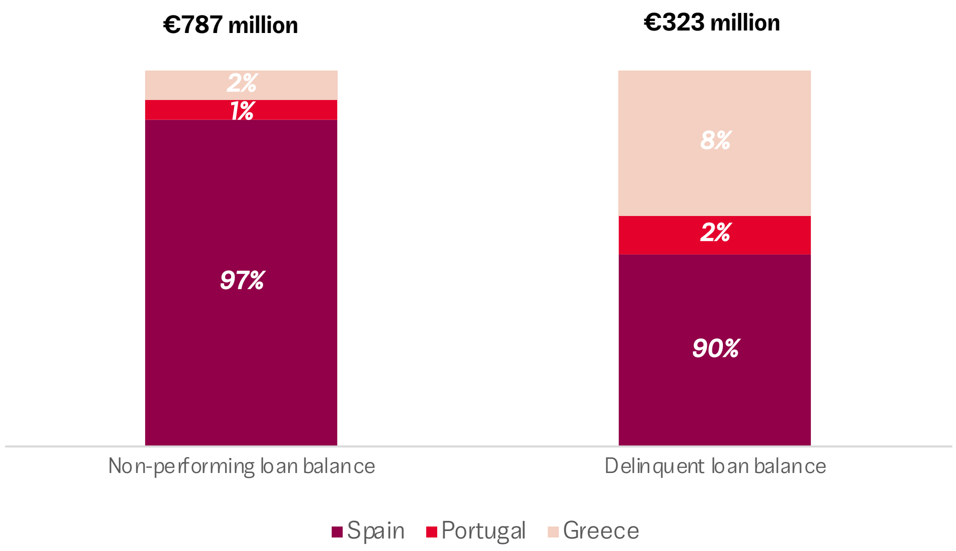
In addition, in order to limit large exposures, no exposure to a customer or group of connected customers may exceed 25% of its Tier 1 capital, after taking into account the effect of the credit risk mitigation included in the regulation.

As at the end of December, after applying risk mitigation techniques, the UCI Group did not reach the aforementioned thresholds.

In geographical terms, the credit risk is diversified across the main markets in which we have a presence (Spain, Portugal, Greece and Brazil). In Spain and Portugal, the business is focused on real estate loans, whereas in Greece it is focused on the management and maintenance of loans granted by financial institutions.



The concentration of non-performing balances by area is as follows:



The geographical concentration of both the portfolio and the front book shows that loans are granted throughout the country, with a higher concentration in major urban centres. The level of concentration risk is considered low to the extent that lending is primarily carried out in large population centres such as Madrid, Barcelona and the Mediterranean coast (Valencia, Malaga, Seville and Cadiz), which are considered mature and well-known markets.

Lending activity is spread across all of Spain's autonomous regions, with the highest degree of concentration in Spain being recorded in developer transactions, where the lending risk is insignificant when compared to the total balance of the company's investment portfolio (0.1% of the portfolio balance).

3.2 Balance sheet structural interest rate risk

Balance sheet structural interest rate risk management

This risk arises from possible changes in interest rates which could have an adverse effect on the value of a financial instrument, a portfolio or the Group as a whole. It affects loans, deposits, debt securities and most of the assets and liabilities in trading portfolios, as well as derivatives.

The Asset & Liability Management (ALM) area is responsible for the internal active management of this risk, based on monitoring of the company's exposure and taking positions aimed at mitigating this exposure, always in accordance with the limits established for the Group.

In order to assess the exposure to interest rate risk, the ALM area analyses the maturity or repricing gaps between assets and liabilities from a static point of view, in other words, based on the current balance sheet, with their maturity and renewal dates. Furthermore, the company calculates the economic value of the balance sheet, in other words, the net present value of all the expected balance sheet flows, assuming that they are not renewed on maturity. Based on the economic value calculated, its sensitivity to different interest rate change scenarios is then analysed. Dynamic analyses are also carried out, which, as the name suggests, go beyond the current balance sheet to calculate simulations about the future. The interest margin is thus simulated, as well as its sensitivity to changes in interest rates.

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

Interest rate gap

Gap analysis consists of grouping portfolio balances in line with the maturity and repricing of assets and liabilities in time intervals in order to estimate the sensitivity of the balance sheet to interest rate changes.

- A positive gap is where more assets mature and/or reprice than liabilities, which is favourable in the face of interest rate rises. Where the balance sheet structure assimilates changes in the interest rates on assets more quickly, the net interest margin is positively impacted by this circumstance, resulting in greater interest income flows for the company.
- A negative gap is where more liabilities mature and/or reprice than assets, which is favourable in the face of interest rate falls. In this case, the greater speed with which liabilities assimilate changes in interest rates means that the net interest margin is positively impacted by lower interest rates, due to lower financial costs.
- A reduced gap for all maturities will make the net interest margin less sensitive to interest rate changes. The establishment of a maximum monthly gap, either (-) or (+), will contribute to this lower sensitivity, stabilising the impact on the net interest margin and therefore on the company's results.

Interest rate risk in the banking book (IRRBB)

In order to monitor the IRRBB risk, the NII and EVE sensitivity to interest rate changes are primarily taken into account.

UCI calculates quarterly the impact on its EVE of a parallel shift of +/- 200 basis points in the yield curve.

Once a year, the company informs the competent authority, as part of the ICAAP, of the change in the EVE resulting from the calculation. When the decrease in the EVE is more than 15% of the company's Tier 1 capital in any of the six shock scenarios, the company will inform the competent authority.

The six scenarios are as follows:

I. parallel shock up;

II. parallel shock down;

III. steepener shock (short-term rates down and long-term rates up);

IV. flattener shock (short-term rates up and long-term rates down);

V. short rates shock up; and

VI. short rates shock down.

As far as the NII is concerned, the NII of a parallel shock of +/- 200 basis points in the yield curve is calculated quarterly.

The company will inform the competent authority when the decrease in the NII is more than 5% of the Tier 1 capital in the 2 established shock scenarios.

Specific magnitude of the interest rate shocks according to the EUR currency (bps):

Parallel: 200 bps	Short-term: 250 bps	Long-term: 100 bps

Credit spread risk in the banking book (CSRBB)

The metrics used to carry out monitoring of the credit spread risk in the banking book (CSRBB) primarily include the NII and EVE sensitivity to changes in the spread curves.

Core metrics

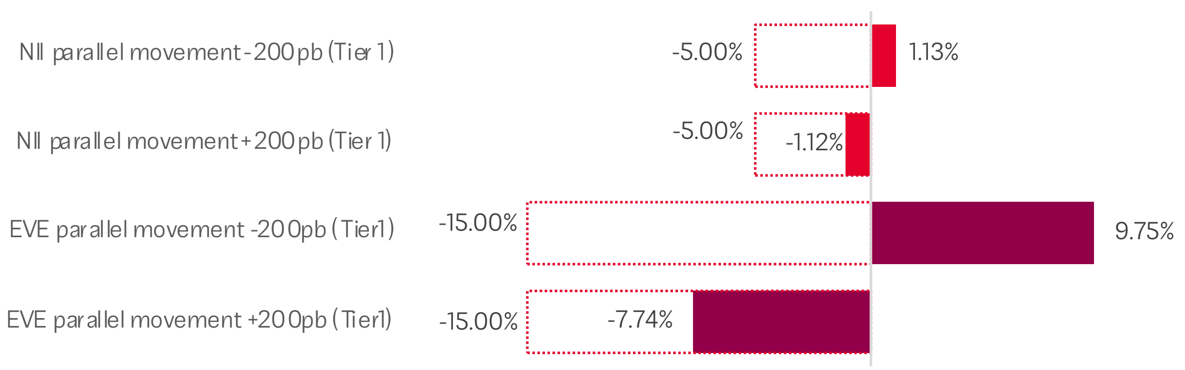
As at 31 December 2024, the interest rate gap did not exceed any of the internally established limits for the different time periods.

IRRBB

The percentage change in the economic value (EVE) of the Tier 1 capital in the face of a parallel shift in the yield curve of +/- 200 bps stands at -7.74% and 9.75%, respectively, which does not exceed the regulatory limit of -15% of the Tier 1 capital.

The percentage change in the net interest income (NII) of the Tier 1 capital in the face of a parallel shift in the yield curve of +/- 200 bps stands at -1.12% and 1.13%, respectively, which does not exceed the regulatory limit of -5% of the Tier 1 capital.

The above figures indicate that interest rate changes have not resulted in an adverse impact on the company's economic value and equity.



3.3. Market risk

Market risk management

The UCI Group manages this risk by means of the price fluctuations associated with the foreclosed assets. The company is not subject to capital requirements in relation to this risk.

We keep any self-subscribed and retained bonds on the balance sheet to maturity. Market price fluctuations do not therefore entail the existence of any market risk.

The hedging derivatives are treated as cash flow hedging instruments whose purpose is to hedge the liability against interest rate changes. They are within the regulatory limits for them to be treated as hedging instruments.

The price changes of these instruments in the market do not therefore have any market risk since they are classified as a held-to-maturity investment portfolio.

Core metrics

The marketing of foreclosed assets continues to produce positive results. In 2024, 1,099 sales were carried out. Our stock of foreclosed assets therefore stands at 2.74% (3.02% in 2023). The coverage ratio of the foreclosed assets is 21.26% (21.57 in 2023).

3.4. Solvency risk

Solvency risk management

Capital management and adequacy in the UCI Group seeks to ensure solvency and maximise profitability, while meeting internal capital targets and regulatory requirements. It is a key strategic tool for decision-making at corporate level.

The Group's capital management activities include the following:

- Establishment of solvency objectives aligned with regulatory requirements and internal policies in order to ensure a sound level of capital consistent with our risk profile, as well as efficient use of capital with a view to maximising shareholder value.
- Capital planning is an essential part of the implementation of the three-year strategic plan.
- Capital adequacy assessment to ensure that the capital plan is also consistent with our risk profile and the risk appetite framework under stress scenarios.
- Preparation of internal capital reports, as well as reporting to the supervisory authorities and the market (ICAAP).

El desarrollo de la función de capital del Grupo se realiza a tres niveles:

Regulatory capital

Regulatory capital management is based on an analysis of the capital and leverage ratios under current regulatory criteria and the scenarios used in capital planning to ensure that the capital structure is as efficient as possible, both in terms of cost and compliance with prudential requirements.

Economic capital

The economic capital model is designed to ensure that we appropriately allocate our capital to cover all the risks to which we are exposed as a consequence of our activities and risk appetite. The aim is to optimise the Group's value creation.

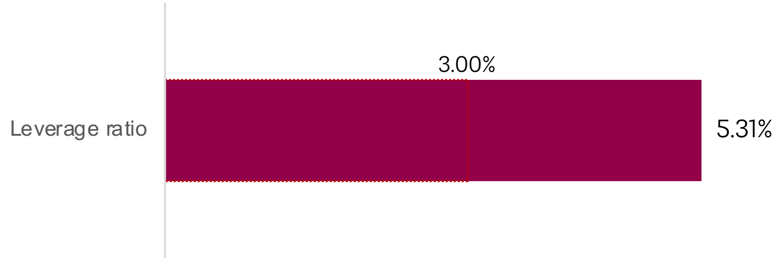
Profitability and pricing

Creating value and maximising profitability by carefully selecting the most appropriate strategies in terms of profitability, while taking the risk into account. Profitability and pricing therefore form part of the key capital model processes.

Core metrics

As at the year-end, the results of the main ratios were as follows.

The leverage ratio stood at 5.31% (5.43% in 2023), well above the 3% requirement.

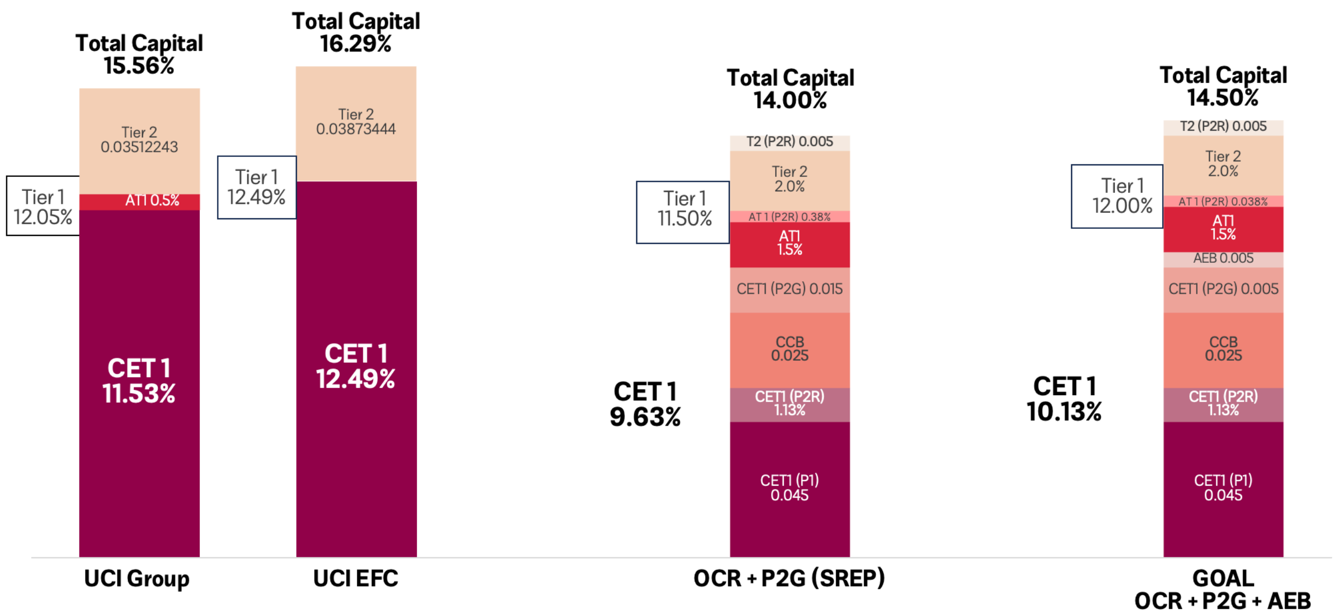


The CET1 ratio was 11.53% (10.21% in 2023), above the minimum requirement of 9.625% (8.125% without P2G). This increase in the CET1 is due to the conversion of contingent convertible bonds, or CoCos, and the positive effects of the plan for the reduction of non-performing assets.

The AT1 (Additional Tier 1) was 0.52%, made up entirely of contingent convertible bonds. The Tier 1 ratio was thus 12.05% (12.40% in 2023), exceeding the minimum requirement of 11.5% (10% without P2G). The Tier 2 capital, made up of subordinated debt, represented 3.51%.

The total capital ratio stood at 15.56% (the same level as 2023), above the minimum requirement of 14% (12.5% without P2G),

We therefore maintain a leverage ratio, a total capital ratio (TSCR) and overall capital requirements (OCR) in accordance with the specifications established by the supervisor and the internal objectives set by the company, guaranteeing a sound capital base and meeting the regulatory requirements of both Pillar 1 and Pillar 2.



3.5. Liquidity and funding risk

Liquidity and funding risk management

We measure liquidity and funding risk through several different tools and metrics that cover the diverse risk factors that fall within this risk. The objective is to have a minimum amount of liquid assets, and a funding structure adapted to the company's legal nature and business model.

It is considered significant due to the need to develop self-funding strategies. These strategies are currently based on the issue of securitisation funds to guarantee the company's financial independence, enabling the repayment of the funding facilities drawn down with shareholders.

With regard to the liquidity regulation applicable to credit finance establishments (Bank of Spain Circular 1/2022), the most significant monitoring metrics are as follows:

- Liquidity Coverage Ratio (LCR): its aim is to foster the short-term resilience of the company's risk profile, ensuring the availability of liquid assets to withstand a significant stress scenario (idiosyncratic and market stress) for 30 calendar days. The regulatory requirement for this indicator stands at 100% and will have to be met every day of the year.

- Net Stable Funding Ratio (NSFR): requires the maintenance of a stable funding profile in relation to the composition of the company's assets and off-balance sheet activities. It is defined as the ratio between the amount of stable funding available and the stable funding required. The regulatory requirement of this indicator stands at 100% and will have to be met every day of the year.

The components that make up the liquidity requirements incorporate adaptation and proportionality criteria, taking into consideration the idiosyncrasy and nature of credit finance establishments, their particular funding structure, and the liquidity risk of their activities.

We have funding lines with the shareholders (Banco Santander - BNP Paribas) that are simultaneously reviewed at least once a year with both shareholders in order to adapt them to the needs of the business within the company's liquidity structure and policy. For assets which are not refinanced by means of securitisations placed on the market, we manage the refinancing through the aforementioned funding lines. The branches in Portugal and Greece are funded directly through their parent company in Spain.

With regard to the securitisations market, the institution has 30 years' experience and has placed numerous securitisation fund issues on the market, with the latter becoming a key pillar of the company's financial architecture. Over the last three decades, their performance has been marked by innovation, the ability to adapt to adverse contexts and a strong commitment to sustainability and transparency.

The issues comply with the standards published by the regulator ESMA in 2017, on simplicity, transparency and standardisation (STS compliant) and with the Capital Requirements Regulation (CRR). At structuring level, they also incorporate mechanisms to protect the senior tranche placed with investors, such as the step-up call on year 5, turbo amortisation, interest rate hedging and limits on the renegotiation of loan terms. All of the above contributes to improving the Group's funding capacity in the markets.

In addition to securitisations, we have developed an active policy for the use of collateral in funding through repos on our own bond issues, and therefore maintain contact with entities other than shareholders.

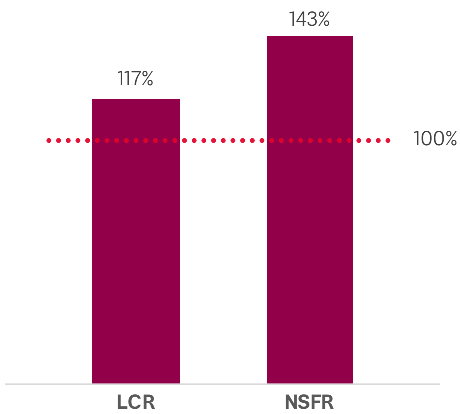
Development of the funding plan thus begins with the granting of transactions through the implementation of responsible lending and purchasing policies. These ensure compliance with the credit risk quality standards subsequently required by investors and credit rating agencies in securitisation fund issues, which include criteria of charges on income and minimum personal contribution, among others. The commercial policy in turn promotes the sale of an attractive range of simple, transparent and standardised products, free of scalability or options, in which different types of non-tied insurance are offered.

The development of an ESG framework has enabled us to reach agreements with international institutions such as the European Investment Bank, the European Investment Fund and sustainability rating firms such as Sustainalytics in order to obtain funding, by means of lending in accordance with sustainability standards.

We use the margin generated by the business on a recurring basis to fund new business activity first of all. We then use any surplus liquidity to reduce our exposure to shareholders' credit lines, while ensuring balanced compliance with prudential obligations.

Core metrics

As at the year-end, the Liquidity Coverage Ratio (LCR) stood at 116.67% (115.58% in 2023), and the Net Stable Funding Ratio (NSFR) stood at 142.56% (198.90% in 2023), both above the regulatory threshold of 100%.



The amount drawn down from the funding lines stood at 2.96% (2.23% in 2023).

The charts below quantify the achievement of the sustainable lending commitments made to the European Investment Bank, the European Investment Fund and Sustainalytics.

EIB: European Investment Bank
EIF: European Investment Fund

In the year 2024, 100% of the commitments made up to 2024 were achieved, and in some cases even the commitments made up to 2025 or 2026. The outstanding commitments run through to the year 2028 and show an excellent degree of overall compliance.

The most noteworthy aspects in the year are as follows:

- The ratings agencies DBRS Ratings GmbH (DBRS Morningstar) and Fitch Ratings confirmed UCI's A (low) / BBB ratings, respectively, both with a stable outlook, highlighting the backing of its shareholders, BNP Paribas and Banco Santander.

- Both agencies reviewed UCI's ESG (environmental, social and governance) profile. Fitch assigned an ESG score of '3', which indicates that these factors are neutral in the credit assessment of UCI. They indicated that, although these factors are considered in the assessment, they do not have a significant impact on its rating.

- Furthermore, as a strength of UCI, both agencies highlighted the recent capital increase of €88 million subscribed by its shareholders in late 2023 as a sign of UCI's ongoing commitment to stability and financial soundness. The aim of this capital injection is to strengthen the solvency of the company and ensure its compliance with the new capital regulations.

3.6. Operational risk

Operational risk management

Operational risk control and management is focused on the identification, measurement, assessment, control, mitigation and reporting of this risk. Operational risk includes ICT risk, compliance and conduct risk, and model risk.

The priority is to identify and eliminate pockets of risk, irrespective of whether or not losses have been incurred. Measurement also contributes to the establishment of priorities in operational risk management. Operational risk is inherent in all products, activities, processes and systems, and arises in all business and support areas. For this reason, all employees are responsible for managing and controlling the operational risks generated in their area of activity.

As far as operational risk is concerned, the organisational model adopted by the UCI Group, based on the three lines of defence, identifies the following independent pillars or levels of responsibility:

- Business and support functions. These functions are responsible for identifying, assessing, managing, controlling and reporting on the operational risks of the Group's activity.

- Internal control function. This function is responsible for defining the methodology and solutions to identify, measure, control and correctly manage the Group's operational risk and, in addition, monitor the proper deployment thereof. It supports the business and support functions, and consolidates information on the operational risks of the whole Group in order to report to senior management and the risk management committees involved.

- Internal audit function. In relation to operational risk, this is the area responsible for reviewing compliance with the established operational risk identification, measurement, control and management model.

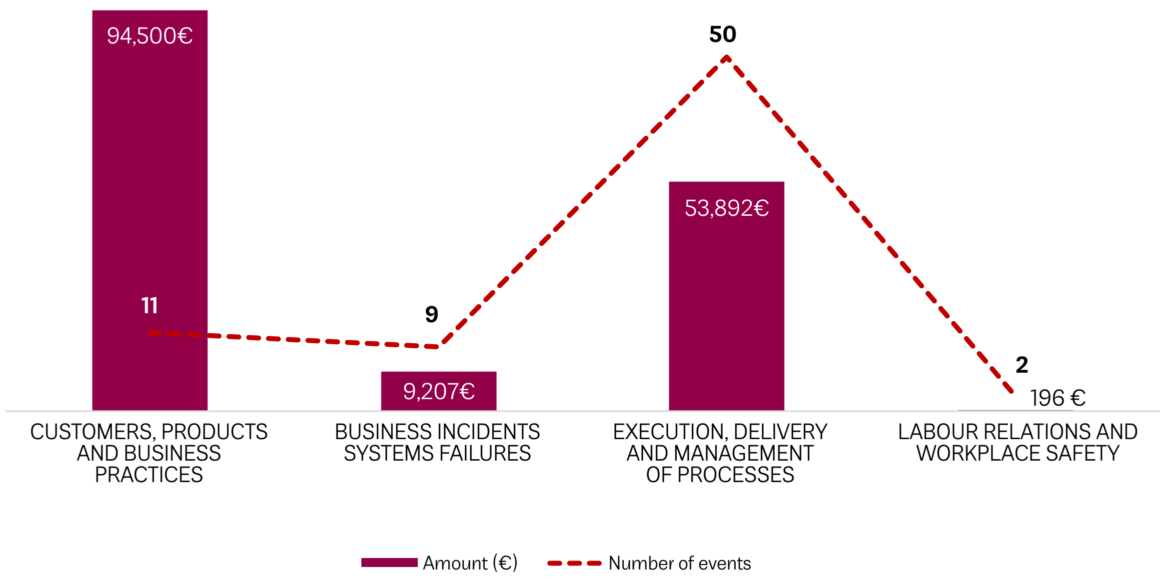
The management of operational risk events seeks to avoid and/or reduce losses due to the inadequacy or failure of processes, employees or internal systems, or as a result of external events. Their daily management is the responsibility of the company's different areas and departments, which maintain lines of communication with the operational risk function, working together to obtain information and implement actions, where appropriate, in order to manage the risk. The interaction between the operational risk function and the other areas and departments is defined by the head of the function.

We apply the Standardised Approach (TSA) for minimum capital requirement statements, establishing the mechanisms necessary to comply with the requirements specified in the Bank of Spain's "Guide to applying the Standardised Approach in the determination of the operational risk capital".

Core metrics

The application of the Standardised Approach (TSA) in the calculation of the operational risk capital requirements results in a figure of €6.3 million in this regard, representing 1.06% of the company's total capital requirements.

In the year 2024, the company's Operational Risk Management System recorded 72 operational risk events at a cost of €0.16 million (€0.27 million in 2023). Only 2 events exceeded the threshold of €20,000.



In relation to compliance and conduct risk, as far as the operational risk arising from loans linked to the IRPH (the Bank of Spain's official benchmark index) is concerned, the company continues to monitor the benchmark portfolio. There has been a substantial reduction in the number of new legal actions and pre-trial claims on the basis of the IRPH in recent years.

The UCI Group has applied measures and procedures on the Prevention of Money Laundering (PML) and Terrorist Financing (TF) in all the activities that it carries out.

As part of our commitment to criminal risk prevention, as well as the prevention and eradication of bad working practices, the UCI Group has in place a Complaints Channel (Ethics Alert Channel) which enables the notification of any conduct which is not in line with current legislation or UCI's internal policies and procedures and could pose a risk to the company. In the year 2024, there was no record of any ethical breach.

UCI has obtained the ISO 22301 certification and renewed its ISO 27001 certification, guaranteeing the continuity of its business and information security.

With regard to the DORA Regulation, the supervisor notified the company of the non-applicability of this regulation, albeit that in accordance with best market practice criteria, the main aspects established in the Regulation have been implemented under the principle of proportionality.

The implementation of a Third-Party Risk Management (TPRM) system has reinforced the analysis of ICT risks in the procurement of new services, and specifically in the outsourcing of core functions, in compliance with the requirements established in Circular 2/2016 and the Guidelines on outsourcing arrangements (EBA/GL/2019/02).

The improvements in the risk model are based on the reinforcement of governance with regard to the documentation associated with the models.

3.7. Reputational risk

Reputational risk management

This risk is defined as the accumulation of all the perceptions and opinions that employees, customers, shareholders and investors and society in general have about the company. It is associated with changes in the perception of the Group, or the brands of which it is comprised, where an action, event or situation could have a negative or positive impact on the organisation's reputation.

The reputational risk management model is based on a predominantly preventive approach to risk management and control, but also on crisis management processes. Risk management thus encompasses both business and support activities.

Core metrics

The core metrics for this risk show a high degree of satisfaction among the customers of UCI España. The eKomi rating, based on a single platform where consumers share real shopping experiences, yielded a score of 4.9 out of 5 at the year-end. The Google Business Profile score for helping businesses manage their online presence scored 4.6 out of 5. Moreover, UCI's monitoring of social media reveals that 95% of the comments made on different social networks were positive.

Surveys are also carried out at different lending stages in order to find out customers' opinion of the different services provided and their satisfaction with them, thus enabling the identification of areas for improvement. We measure this through metrics such as the Net Promoter Score (NPS), with a score out of 19.41 of +/- 100, or the Customer Satisfaction Score (CSAT), with a score of 90.8%.

3.8. Strategic risk

Strategic risk management

Strategic risk is defined as the risk of loss or damage resulting from strategic decisions (or poor implementation thereof) that affect the long-term interests of our key stakeholders, or the inability to adapt to a changing environment.

Strategic risk management cuts across the whole company and stems from other risks which may be non-strategic in origin but could still have a significant impact on the company's business model and strategy.

Strategic risk will be analysed by considering the proper definition of the business model and strategy, as well as their transposition into the identification of strategic priorities and lines. This risk is associated with the selection of the projects to be developed in order to achieve the strategic objectives proposed and deployed in the functional plans.

Core metrics

Interest rate changes have had an adverse impact on profitability due to the structure of the company's portfolio. Accordingly, implementation of the business plan has continued, with measures and policies being established to enable a gradual increase in the generation of recurring income through the company's core business with a view to improving profitability.

The plan for the reduction of non-performing assets is a fundamental part of the success of the company's business plan. Although it has improved the company's NPL ratio and balance sheet structure, the sale of non-performing portfolio and bad loans has had an impact on the profit/loss of -€21.7 million and +€1.5 million, respectively.

Moreover, the front book RoE stands at 15.27% (13.67% in 2023), showing a positive trend in the UCI Group's core business.

3.9. ESG risk

ESG risk management

At UCI we analyse the impacts resulting from the different ESG risk factors, in other words, the risks arising from a deterioration in climate change, environmental, social and governance aspects.

Environmental (E)

The "E" for Environmental refers to the effect that our activity has on the environment, either directly or indirectly, and is analysed from several different perspectives:

a) Sustainable business

We are committed to sustainable lending, and make production commitments in line with the criteria of the European Investment Bank, the European Investment Fund and sustainability rating firms such as Sustainalytics.

b) Climate change risks

The climate change risks can be divided into two main categories: those resulting from physical impacts and those resulting from the transition to a low-carbon economy.

- **Physical risks**

The physical risks of climate change are defined as those resulting from the increasing severity and frequency of extreme weather events or gradual and long-term changes in the climate. These risks may directly affect companies through damage to assets or infrastructures, or indirectly through a change in their operations or the non-viability of their activities.

In response to the supervisory expectations on the risks resulting from climate change and environmental deterioration, at UCI we have developed a methodology to assess the physical risks in our lending portfolio, highlighting the importance of proactively managing the physical risks in order to guarantee the financial stability and resilience of the banking sector.

Our methodology is based on a measurement model that combines UCI's own data with that provided by a renowned appraisal firm, using geo-spatial analysis and advanced risk appraisal techniques. These measurements are in line with the supervisory expectations concerning the use of accurate and reliable data to assess environmental risks and their impact on the quality of financial assets.

The model identifies 11 types of physical risks that are relevant to our lending portfolio: earthquake, erosion, volcanic, sea and river flooding, desertification, fire, natural spaces, the public water supply, the public shoreline and cattle tracks. This model enables us to identify areas in the lending process that are particularly sensitive to physical risks.

- **Transition risks**

The commitments made by the signatories to the Paris Agreement, and the consequent transition to a low-carbon production system, implies a drastic transformation of the global economy through major changes to legislation, the market and technology.

The 2015 Paris Agreement and the Sustainable Development Goals, as part of the UN Agenda 2030 for Sustainable Development, represented an inflection point in awareness to set the world on a path towards sustainability.

One of the company's priorities is to promote the transition to a more equitable, inclusive and sustainable future for all. At such a time of technological and social transformation, diversity and inclusion are essential if companies are to create value for their stakeholders and society as a whole.

Social (S)

The S for Social takes into account factors such as labour practices, diversity, safety, impact on communities, etc. As well as reducing risk, a sound approach in these areas 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. It has a crucial role to play in the promotion of ethical and transparent business practices.

Core metrics and activities

Environmental (E)

a) Sustainable business

Sustainable or "green" lending represented 23.5% of the total lending and achieved 157% of the objective set for the year 2024. Moreover, renovation lending reached 92% of the target with an excellent RoE of 16.4%.

The most noteworthy aspects in the year are as follows:

- The Residential Energy Rehabilitation (RER) Plan enables the buildings of property owners' associations to be renovated in order to improve their energy efficiency.
- Financing for property owners' associations to carry out the renovation of their building. Accordingly, the financing of renovation projects for housing and the buildings of owners' associations' is continued as part of the company's involvement in the credit line promoted by the Official Credit Institute (ICO) and the Ministry of Transport, Mobility and Urban Agenda (MITMA) for the renovation of residential buildings.
- Official Credit Institute (ICO) guarantees to help those under the age of 35 and families with dependent minors to buy their first home, offering a guarantee that covers up to 20% of the mortgage loan, and up to 25% on properties with an energy rating of D or higher.
- We continue to optimise our "purchase and renovation" mortgage and our "renovation" mortgage as part of the commitment to energy efficient homes through the award of a higher energy certification after the renovation has been completed.

b) Climate change risks

• Physical risk

The assessment of physical risks, in line with the supervisory expectations, has provided information enabling us to strengthen our risk management and improve the resilience of our lending portfolio in the face of environmental challenges.

The physical risk assessment model has identified that approximately 10.5% of the company's collateral is exposed to some type of high physical risk.

The company will continue to monitor the changes in environmental risks and adjust its strategy in order to meet the supervisory expectations and guarantee the long-term sustainability of financial transactions.

• Transition risk

We support the climate change goals set by the Paris Agreement. Our ambition is to reach zero net emissions by 2050, and we are working to strengthen our decarbonisation objectives. We aim to support our customers in the green transition, and to contribute to the Paris goals through the development of a full range of green and sustainable finance.

We continue to work on the priority, interrelated and crosscutting SDGs to which we contribute through our business activities and our commitments, thereby contributing to sustainable development.

The most noteworthy aspects in the year are as follows:

- UCI is a signatory to the European Energy Efficiency Financing Coalition, in which 27 EU Member States and fifty public and private financial institutions participate. The objective of this initiative is to promote cooperation and to continue mobilising private financing for energy efficiency.

Social (S)

Our commitment to diversity is reflected in indicators such as the ratio of employees with disabilities, fostering the inclusion of people from diverse backgrounds and with diverse capabilities. Moreover, we analyse gender equality and the wage gap to guarantee equal opportunities and remuneration for all employees.

With regard to personnel management, we closely monitor the staff turnover rate, new recruit rate and dismissal rate in order to understand and address the challenges related to talent retention and job stability. We also monitor the absenteeism rate and the training given to employees in order to promote a healthy and an ever-evolving working environment. As far as health and safety at work is concerned, we assess different indices in order to guarantee a safe and protected working environment for all employees.

For the fifth consecutive year at UCI España, we achieved the Great Place to Work certification awarded by the Great Place To Work consulting firm, a leader in the identification and certification of Excellent Places to Work. Our subsidiary in Portugal also achieved this certification for the fourth consecutive year. With 92% of the workforce participating in the evaluation survey, 76% of the employees said that UCI is "an excellent place to work". This result surpasses both the results of the previous edition (75%) and the minimum threshold to be considered as a great place to work, according to GPTW (65%).

With the aim of contributing to the improvement of certain social factors, the review of the company's Equality Plan has continued, and it has been adapted to the standards required by the Government through Royal Decree 901/2020.

The most noteworthy aspects in the year are as follows:

· UCI ended its social actions in 2024 with more than 1,800 beneficiaries, while reinforcing its social commitment through an investment of €60,000 and the participation of its employees.

· Education for young people, with a particular focus on financial education. For the ninth consecutive year, UCI participated in the 'Your Finances, Your Future' programme, promoted by the Junior Achievement Foundation and the Spanish Banking Association (AEB).

· The company has renewed its commitment to the Dádoris Foundation, providing young people who have high skills and proven performance but limited financial resources with access to a university education.

· UCI has strengthened its collaboration with the Prodis Foundation, an institution that specialises in the training and labour inclusion of people with intellectual disabilities.

· Access to housing for vulnerable groups. As part of the framework agreement between UCI and the Spanish Red Cross, the company has focused its support on the prevention of housing exclusion.

· Response to emergencies. UCI employees donated more than 6,000 euros to the Red Cross to help those affected by the flooding caused by the storm in Valencia. UCI also donated 5,000 euros to this campaign.

· Within the framework of the largest forum for real estate professionals in Spain, Inmociónate, UCI donated 8,000 to the "Inmosolidarios" initiative, which recognised five charity projects.

· UCI has financed accessibility construction works, including the installation and replacement of lifts in the buildings of three property owners' associations.

· As a signatory to the United Nations Global Pact, UCI has strengthened its contribution to the achievement of the Sustainable Development Goals (SDGs) 4, 8, 10 and 17, consolidating its role in the construction of a more just, inclusive and sustainable society.

Corporate governance (G)

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

• **Ethical considerations:** a commitment to integrity and respect for ethical principles in our daily activities is fundamental in order to achieve our objectives and maintain the trust of our customers and stakeholders.

We are strongly committed to the prevention and eradication of bad working practices and undertake to provide a safe, ethical and respectful working environment for all. We have a range of policies and procedures that set the standards to be met in our daily activities.

UCI has an Ethics Alert channel through which any alleged conduct at work that is unlawful or contrary to the UCI Group's internal policies and procedures may be reported.

As far as our financial responsibility is concerned, we carry out monitoring to ensure that our business practices are ethical and sustainable, thereby making a positive contribution to both the community and the long-term success of our company.

- **Risk management strategy:** risk management has ceased to be a peripheral function and now has its own identity. It is increasingly connected to the Core Business and has been fully integrated into our strategy, where the role of the Chief Risk Officer (CRO) and the Board's direct involvement reflect the growing importance of the risk management function at the company.

- **Documentary framework:** in order to guarantee effective management, we have a sound governance framework of policies and procedures that are essential if the company is to meet its internal and external obligations.

- **Transparency:** we ensure transparency and integrity in the dissemination of information on the products and services that we offer on our website, and in communications with our customers or the different stakeholders, through numerous regulatory reports, as well as financial and non-financial information.

All of these considerations and practices build stakeholder trust and help create a healthy, ethical and sustainable organisational environment which is essential to the long-term financial and reputational success of the company.

07

UCI Offices

List of UCI Offices

Spain

UCI Spain Headquarters
Edificio Visionary
C/ Amaltea, 32. Planta 1ª
28045 Madrid

Alicante
Avda. Maisonnave, 19. 4º A
03003 Alicante

Barcelona
Rambla de Cataluña, 20. Entresuelo 2
08007 Barcelona

Barcelona
Avda. Josep Tarradellas, 20-30 – Roselló 1-13. Planta 3ª, puertas 7ª y 8ª
08029 Barcelona

Gijón
Celestino Junquera, 2. Oficina 44
33202 Gijón

Jerez
Calle Porvera 3, 2ª planta,
Oficina 8
1403 Jerez de la Frontera

Las Palmas
Calle Venegas, 2. Oficina 8
5003 Las Palmas

Madrid
Avda. de Córdoba, 21. 3º 1 B
28026 Madrid

Madrid - Príncipe de Vergara
C/ Príncipe de Vergara, 43. 3º
28001 Madrid

Málaga
C/ Alameda Principal, 11. 4ª planta, 3ª
29001 Málaga

Marbella
Avda. Ricardo Soriano, 19. 7º, C-D
29601 Málaga

Murcia
Calle Ortega y Gasset 9, planta 7ª Oficina 716
30009 Murcia

Palma
Avda. Alejandro Rosselló, 21. 3º
07002 Palma de Mallorca

Sevilla
Plaza Nueva, 3. Planta 3ª
41001 Sevilla

Valencia
Calle Colón, 60. 6ª C-D
46004 Valencia

Portugal

UCI Portugal Headquarters
Av. Engenheiro Duarte, Torre 1, 10º Andar - Amoreiras
1070-101 Lisboa

Almada
Almada Business Center
Rua Marcos de Assunção 4, 2º, Sala 2.08
2805-290 Almada

Coimbra
Rua João de Ruão, 12
Torre do Arnado, 8º, Sala A
3000-229 Coimbra

Lisboa
Av. Engenheiro Duarte, Torre 1, 10º Andar - Amoreiras
1070-101 Lisboa

Lisboa Norte
Av. Engenheiro Duarte, Torre 1, 10º Andar - Amoreiras
1070-101 Lisboa

Madeira
Edif. Executivo – Av. do Infante, Nº8 – Fração 3.ºN
9000-015 Funchal

Oeiras
Taguspark Parque da Ciência e da Tecnologia -
Núcleo Central 100. Sala 273
2740-122 Oeiras

Porto
Praça do Bom Sucesso 123/131, Edif. Península, 3º Andar, Sala 306 4150-146 Porto

Lisboa Oriente
Alameda dos Oceanos, Nº 142, 1º A
1990-502 Lisboa

Greece

UCI Greece
Aggelou Pirri Street, 5, 2nd Floor
11527 Atenas

08 List of Websites

UCI

www.uci.com
www.uci.es
www.uci.pt
www.uci.gr
www.ucibrasil.com.br

HIPOTECAS.COM — www.hipotecas.com

CRÉDITO HABITAÇÃO .com — www.creditohabitacao.com

retama — www.retamarealestate.com

comprarcasa.

www.comprarcasa.com
www.comprarcasa.pt

SIRA
Spanish International Realty Alliance®

www.siralia.com
www.inmocionate.com

CRS

www.crsspain.es