



Annual Corporate Governance Report

bankinter.

Year end-date: 31/12/2023

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Bankinter's board of directors, on the recommendation of its sustainability and appointments committee, under Circular 2/2018 of the Spanish National Securities Market Commission (CNMV), decided to draw up this Annual Corporate Governance Report in free format, as it did in previous years, accompanied by an Annex that contains the statistical model for the Annual Corporate Governance Report, which includes the "Degree of compliance with Corporate Governance Recommendations". There is also an annex with a table of cross-references indicating other sections of this report where the information contained in each section of the standardised format outlined in Circular 5/2013 of 12 June establishing the templates for the annual corporate governance reports of listed public limited companies, among others.

The purpose is to provide a comprehensive view of Bankinter Group's general corporate governance practices and those of its parent company, Bankinter, S.A. in a single document with a more rational and organised structure with a view to enhancing the transparency of the Company's corporate governance system while at the same time ensuring that the report contains all the required disclosures in that regulation.

1.- IMPROVEMENTS IN CORPORATE GOVERNANCE AT BANKINTER GROUP IN 2023

Bankinter has a strong commitment to sustainability; i.e., responsible performance in all its areas of operations. In the area of internal governance, this implies a robust corporate governance model underpinned by a board and board committees with the right size and composition to ensure diversity and effectiveness; sound internal decision-making processes; and a clear corporate structure, with well-defined lines of responsibility to guarantee that risks are properly identified, assessed and managed.

Under the board's leadership and oversight, this model helps achieve the core objective of long-term value creation for all stakeholders: shareholders, customers, employees and society in general.

Some of the new features and improvements made in 2023 are discussed below, although more detailed descriptions are provided in later sections of this report.

1.1.- Changes in the composition and the effectiveness of the governing bodies

At the General Shareholders' Meeting held in 2023, re-election was approved as executive director of Ms. María Dolores Dancausa Treviño and the independent directors: Ms. María Teresa Pulido Mendoza, Ms. María Luisa Jordá Castro and Mr. Álvaro Álvarez-Alonso Plaza; all for a period of four years. There have been no changes, therefore, in the composition of the board compared with the previous year.

The four proposals for re-election were supported by the extensive experience of these directors and the importance of their proven contribution to the management of Bankinter, as well as their commercial and professional reputation, both individually and for the entire board of directors. This was also confirmed by Bankinter shareholders at the 2023 Annual General Meeting with approval percentages of more than 98% in all cases, as detailed below.

In addition, as of the date of issuance of this Report, it is important to mention the agreements adopted by Bankinter's board of directors on 20 December 2023, proposing the appointment of Ms. María Dolores Dancausa Treviño as non-executive chair of the entity, replacing the current chair, Mr. Pedro Guerrero Guerrero, who shall no longer be a director of the Entity and is therefore leaving the role at his own request after of 33 years at Bankinter, the last 17 of which 17 he has spent as chair of the board of directors.

The appointment of Ms. Maria Dolores Dancausa Treviño as non-executive chair of the board of directors means she must stop all her executive functions, which requires the appointment, by the Ordinary General Meeting of Shareholders of the Bank, to be held on 21 March 2024, of a new executive director. The board has proposed the appointment of Ms. Gloria Ortiz Portero, current General Director of Commercial Banking, as the new CEO of the Entity. Both appointments will be effective as of 21 March 2024, the date on which the aforementioned Annual General Meeting is to be held.

With these proposals, Bankinter's board of directors considers that orderly succession and business continuity without any setbacks are guaranteed, allowing Bankinter to continue promoting a unique business model, based on profitable growth, diversification of income sources, multi-channel and effective risk control, taking advantage of the synergies between the different subsidiaries and geographical areas in which the Group operates.

These proposals maintain Bankinter's solid governance structure, characterised by a distribution of responsibilities and well-defined checks and balances, with a non-executive chair of the board of directors since 2010, an executive vice chair, whose duties are directly related to i) the management of the entity's risks, interest rate (ALCO portfolio), ii) business and corporate development, and strategy, and iii) Investment banking, and a CEO, responsible for the ordinary management of the business, a structure that is recognised as one of the cornerstones of the Entity's performance.

Likewise, in its meeting on 24 January 2024, the sustainability and appointments committee agreed to begin the selection process for a new independent external director, in order to cover the vacancy created by the director Mr. Fernando J Francés Pons' resignation, at his own request for personal reasons.

This process ended with the proposal for the appointment of Ms. Teresa Paz-Ares Rodríguez, as an independent external director by the Annual General Meeting to be held on 21 March 2024, after her suitability was assessed by the committee.

Following this analysis which, in accordance with the policy on the evaluation of the suitability of board members of 25 July 2018, included their knowledge, skills and experience, their honourability, honesty and integrity and reputation, their dedication and lack of incompatibilities, their financial and non-financial interests and their independence of ideas, the sustainability and appointments committee concluded that the candidate can perform her role with professionalism, integrity, impartiality and

responsibility, thus contributing to good corporate governance and the protection of the interests of the bank and its customers, also verifying, that Ms. Paz-Ares meets all the requirements of Article 529 duodecies of the Spanish Companies Act, to qualify as an independent external director. In addition, the Committee assessed that, following the appointment of Ms. Paz-Ares, the board of directors will continue to collectively possess the appropriate knowledge, skills and experience to be able to understand the activities of the Bank, including its main risks.

As a result, the committee concluded that the candidate shall add significant value to the board, enriching its composition and diversity since, in addition to her excellent academic training, she has a profile and the experience necessary for the Bank's future.

Consequently, the board agreed, in its meeting of 20 February 2024, to submit to the Annual General Meeting to be held on 21 March 2024, a reasoned proposal from the sustainability and appointments committee for the appointment of Ms. Teresa Paz-Ares Rodríguez, as independent external director, subject to obtaining the corresponding administrative authorisations.

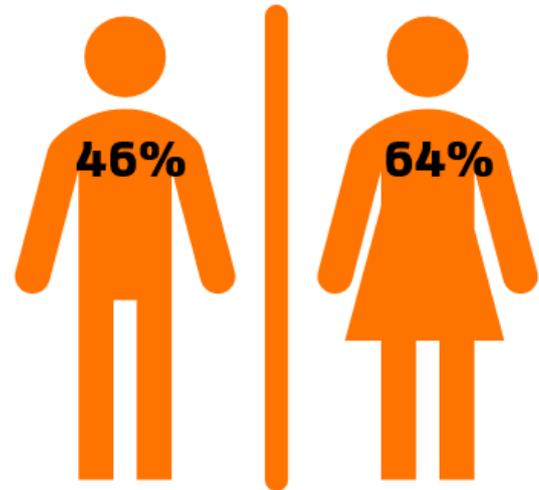
With these appointments, the size and composition of the board of directors also remains the same, which is, and will be formed (once these proposals are approved by the Annual General Meeting) of 11 directors, with the following distribution of categories:

- six (6) external independent directors,
- two (2) executive directors,
- two (2) external proprietary directors, and
- one (1) other external director.

Therefore, the board of directors continues to have and consolidate, on the one hand, a size favouring effectiveness, where all directors may participate and decision-making is agile and, on the other hand, a structure that reflects the existing proportion between the company's capital, represented by the proprietary directors, and the rest of the capital. Bankinter will continue to have 55% independent directors, which enables it to comply with national and international recommendations and best practices.

In terms of diversity, the appointment of a new executive director and the independent external director will increase the percentage of women on the board to 64% (7), which is above the targets set by Bankinter and national and international recommendations and best practices.

In addition, the election by the board of Ms. Maria Dolores Dancausa Treviño as non-executive chair will make the bank the only IBEX35 company with two women in the main administration and management positions (non-executive chair of the board of directors and chief executive officer). The rest of the directors (5) are independent external directors.



On making these proposals, the board noted that members of Bankinter's board of directors overall possess sufficient and appropriate knowledge and experience to cover all the areas necessary for running the entity's operations, including: By way of example, the following:

- The business and related key risks
- All significant activities
- Relevant areas of sectoral/financial expertise, including financial and capital markets, capital adequacy and models
- Accounting and financial reporting
- Risk management, compliance and internal audit
- IT and security
- Local and regional markets
- Legal and regulatory environment
- Management skills and experience
- Strategic planning capabilities

As a result, the composition of Bankinter's board of directors as of the date of approval of this report and the approval after the next Annual General Meeting fully meets the diversity objectives in all areas.

- **Board committees:**

The annual evaluation of the performance of the board and its committees in 2023 has revealed, once again, the importance of the functions carried out by the committees set up by the board, the suitability of their compositions, characterised by the combination of experience and competencies of its members, as well as the importance of the advice they provide to the board on all matters within each of their

remits, which helps the board of directors with its decision-making process and, therefore, contributes to the optimal management of the company, promoting the strength of Bankinter's governance system.

- **Sustainability:**

In relation to sustainability, understood as responsible performance in all areas, Bankinter, taking a cross-cutting approach, through its governing bodies, as well as with the involvement of the entire organisation, at all levels, has contributed to consolidating standards in relation to compliance with environmental, social and governance objectives ("ESG"), which constitute the pillars of Bankinter Group's Sustainability Policy, approved by the board and which are developed as part of the approved sustainability strategic plan for 2021-2023 ("the strategic plan" or "the Plan"), to ensure that they are properly integrated into Bankinter Group's strategy and culture.

For this, the supervision carried out by the board, with the support of its sustainability and appointments committee, of the progress of the strategic lines and key initiatives defined in the Plan has been fundamental in order to ensure the prompt integration of the objectives set therein and modifications have been made to the aforementioned Policy in order to respond to new reporting requirements, such as the CSRD Directive (Corporate Sustainability Reporting Directive).

In relation to the environmental pillar, a sustainable financing programme has been developed, and progress has been made in the objectives related to the decarbonisation strategy and commitments of the bank's financing portfolios, aimed at achieving a reduction in emissions in line with the objectives of the Net Zero Banking Alliance initiative to achieve carbon neutrality before 2050, which continue to be a priority for Bankinter, all in conjunction with the Risk and Compliance Committee.

Regarding the social pillar, progress has continued in the consolidation of the 'A bank for all' programme, aimed at developing the accessibility of all the bank's channels. In terms of physical accessibility, during the year we expanded the scope of our branches with universal accessibility certification. In parallel, we have continued developing the accessibility of all our digital channels. Additionally, in relation to employment, the Group has become a hub for attracting and retaining talent, in addition to generating quality employment. In addition, the Group has been creating net employment in the last 10 years, contrary to the trend of the sector.

Last, in relation to governance, the committee has supervised the effectiveness of the Board, the individual and collective suitability of its members, as well as the robust governance model that the Group has in place.

Finally, the proposals for strategic lines for the new 2024-2026 Sustainability Plan were reported, based on the prior analysis of the sustainability challenges faced by Bankinter Group and the expectations of its stakeholder groups, with particular focus on objectives in terms of sustainable finance and the green agenda, given the significance for its business strategy in the regions and segments in which it operates.

1.2.- Other priorities and objectives accomplished in relation to corporate governance in 2023

- **Annual General Meeting**

Since 2021, Bankinter's corporate by-laws have allowed meetings to be held exclusively through remote means, making all the required provisions to ensure that shareholders can attend such meetings and exercise all their rights. The possibility affords greater flexibility to the Bank, which can be extremely useful when it is advisable to do so without depending on the adoption of exceptional legislative measures.

Since 2022, Bankinter has decided to hold the meetings using a mixed format, whereby shareholders could choose to attend either physically or remotely with the aim of facilitating their participation at all times.

- **Fluid dialogue with investors and proxy advisors. Communication and engagement policies.**

Bankinter, in a bid to further the corporate interest and consider the legitimate interests of shareholders, investors and other stakeholders, has a policy for communication with shareholders, institutional investors and proxy advisers, according to which it implements a communication and engagement strategy, receiving feedback on their priorities and criteria regarding, e.g. matters related to the Entity's corporate governance.

Dialogue with stakeholders will still be a priority for the bank in 2023, as a tool for guaranteeing alignment of its strategy and objectives with stakeholder expectations and ensuring, in accordance with Bankinter's corporate culture and values, the trust required to boost the return and sustained growth on their investments in the bank.

The aim is to highlight the trends and criteria regarding the bank's main shareholders and ensure that these are aligned with those of the entity itself long before decisions are made.

- **Reinforcement of the Group's internal governance model**

Internal rules and regulations are a pillar of Bankinter's robust corporate governance system. They comprise frameworks, policies and procedures that govern the various areas of its corporate life and activity in accordance with applicable external regulations and best practices. The consolidation of these elements into a robust and coherent regulatory pyramid, which Bankinter has been adjusting and adapting to changing requirements in recent years, was demonstrated in the Group's Corporate Governance Policy in 2021. This ensures that the internal regulations always retain a coherent and

efficient structure, with clear and well-defined scopes for application and powers for proposal, approval and monitoring, with the aim of facilitating the board's supervisory function.

As regards relations with subsidiaries, Bankinter Group has a solid mechanism for co-ordinating its internal governance systems. In accordance with the Corporate Governance Policy, the board of directors establishes the appropriate guidelines to ensure the exchange of information necessary for the strategic coordination of the activities carried out by the different companies of the Group.

In addition, Bankinter adapted the internal rules and regulations of its subsidiaries to the general policies approved for the Group. This guarantees uniformity in the application of its corporate governance principles, while respecting the unique features of their respective areas of operation and the principle of proportionality.

The board committees continued to carry out duties in relation to Bankinter Group companies, both through the exercise of specific powers and through co-ordination in matters within their remit, thus contributing to maintaining transparency and simplicity in the organisation.

The committees carry out the duties within their competence for those Group companies that, not having their own committees due to their size and composition, nevertheless require supervisory work in the matters under the responsibility of the corresponding committee. This is the particular case of the duties exercised by the remuneration and sustainability and appointments committees of the parent Bankinter with respect to Bankinter Luxembourg, Bankinter Asset Management, and the companies comprising the Consumer Group, with Bankinter Consumer Finance as parent, and Bankinter Investment Group.

- **Evaluation of the board and board committees:**

The board of directors carried out its annual evaluation for the 2023 financial year. Note that because the evaluation for 2022 was carried out by an external expert (following recommendation 36 of the Good Governance Code of Listed Companies), the evaluation for 2023 was carried out internally, still taking into account the findings of previous financial years. The evaluation of operation and performance was carried out on the following collective bodies and functions: Board of directors, committees, non-executive chair of the board and executive directors, as well as chairmen of the committees.

The results of the internal evaluation for the 2023 financial year were reported by the sustainability and appointments committee to the board in the meeting held in January 2024, with favourable results in all areas and, therefore, no action plan was required. More details are provided below.

1.3.- Priorities for 2024

The financial sector in general and Bankinter in particular are facing several challenges over the next few years that have shaped the board's priorities in general and specifically in terms of corporate governance for 2024.

All the present and future challenges presented by financial sector must be understood in the context of recent years, in an increasingly complex environment, which directly affects banking activity. Politics, international relations and geography are more important than ever against a volatile backdrop where financial institutions need to be especially agile and consistent when containing the associated risks. To do so, they rely on robust, suitable and efficient identification and control systems to ensure that risks and opportunities are proportionally identified and managed while complying with regulatory requirements and supervisory expectations, which require governing bodies to engage in increasingly specialised reporting. ,

In this context, we should highlight the challenge posed by the rapid evolution of technology, affecting the activity of financial entities, in terms of guaranteeing information security and protection against cyber attacks. To do this, it is necessary to have sufficient technical and human resources.

Therefore, Bankinter's objective is to continue strengthening the robustness and resilience of the corporate governance system directly related to the use of new technologies and the growing importance of data protection and cybersecurity, always staying aligned with national and international best practices and the expectations of supervisory bodies.

And as part of this challenge, continuous training of both members of the board and senior management, as well as employees and customers plays an essential role. The Bank paid particular attention to this area in 2023.

Finally, in 2024, dialogue with stakeholders will still be a priority for the bank in 2024, as a tool for guaranteeing alignment of its strategy and objectives with stakeholder expectations and ensuring, in accordance with Bankinter's corporate culture and values, the necessary transparency and disclosure of information to generate the necessary trust and boost the profitability and sustainable growth of their investments in the bank. In short, maximising the creation of value, as well as guaranteeing and safeguarding the rights of customers and shareholders, offering maximum information transparency and promoting relationships and fluid dialogue, will remain a priority for Bankinter in 2024 and in our long-term strategy.

2.- OWNERSHIP STRUCTURE

2.1.- Share capital

Set out below are data on Bankinter's share capital, its characteristics and the distribution of shareholders by residence:

Breakdown of share capital



Characteristics of Bankinter's share capital

Share capital unchanged in 2023

No shares issued that are not traded on a regulated EU market

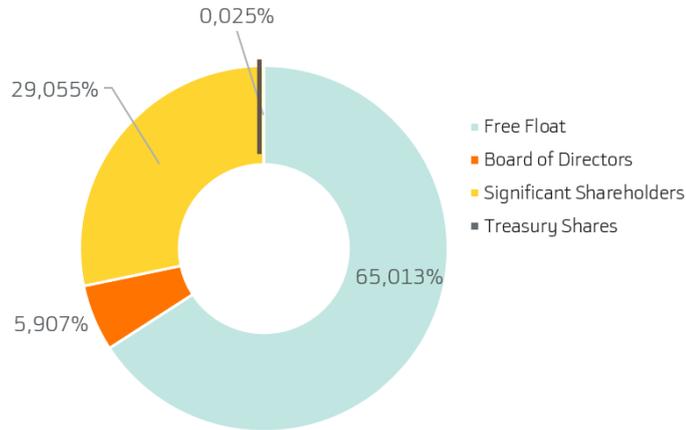
No loyalty shares
Same rights for all shares

No restrictions that might inhibit a takeover of the company through acquisition of its shares on the market

No restrictions on the transfer of shares and/or voting rights

No measures to neutralise a takeover bid

2.2.- Distribution of share capital by shareholder category

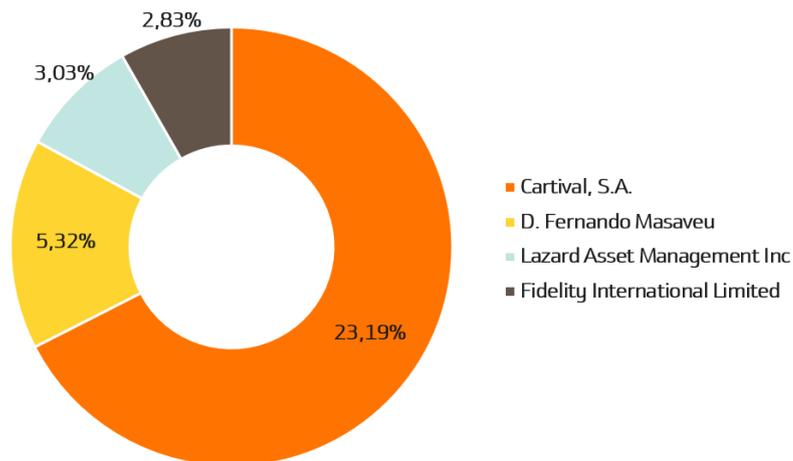


The **estimated floating capital**, understood as the percentage of share capital that is not in the hands of significant shareholders or directors, or which Bankinter holds as treasury shares, is 65.013%.

Shareholders are classified into the following categories:

- **Significant shareholders:**

Direct and indirect holders of significant shares in Bankinter, S.A., including the members of the board of directors (who, directly or indirectly, have significant shareholdings) as at 31 December 2023:



The data are based on disclosures sent by the obliged entities to the CNMV on voting rights and financial instruments of Bankinter. As explained above, Bankinter's corporate by-laws do not envision any loyalty shares. Therefore, no shares confer double voting rights to their holders.

Most significant shareholder structure changes during the year:

Name or company name of shareholder	Transaction date	Description of the transaction
FIDELITY INTERNATIONAL LIMITED	06/01/2023	↑ of 3%
BLACKROCK INC.	31/01/2023	↑ of 3%
FIDELITY INTERNATIONAL LIMITED	21/03/2023	↓ of 3%
BLACKROCK INC.	21/03/2023	↓ of 3%
BLACKROCK INC.	06/04/2023	↑ of 3%
BLACKROCK INC.	07/06/2023	↓ of 3%
CITADEL MULTI-STRATEGY EQUITIES MASTER FUND LTD.	24/10/2023	↑ of 1%
CITADEL MULTI-STRATEGY EQUITIES MASTER FUND LTD.	17/11/2023	↓ of 1%

• **Board of Directors**

As at 31 December 2023, the total percentage of voting rights held by the board of directors was 5.90% and the total percentage of voting rights represented on the board of directors was 29.1%. The breakdown is provided in the following table, which is updated on the corporate website. The acquisition or disposal of voting rights by the members of Bankinter's board of directors is communicated to the CNMV within the legally established period:

Board member	Voting rights attributed to shares				% of voting rights through financial instruments		31/12/2023	
	Total	Direct	Indirect	% of total	Total	%	% of total voting rights	
MR. PEDRO GUERRERO GUERRERO	3,185,822	3,085,817	100,005	0.35	0	0	0.35	
MR. ALFONSO BOTÍN SANZ DE SAUTUOLA Y NAVEDA	32,935	32,935	0	0.00	8,470	0.00	0.00	
MS. MARIA DOLORES DANCAUSA TREVIÑO	1,466,367	1,460,765	5,602	0.16	85,703	0.01	0.17	
MR. FERNANDO MASAVEU HERRERO (*)	47,775,076	776,330	46,998,746	5.32	0	0	5.32	
MR. MARCELINO BOTIN-SANZ DE SAUTUOLA Y NAVEDA	253,045	253,045	0	0.03	0	0	0.03	
MS. MARÍA TERESA PULIDO MENDOZA	39,209	39,209	0	0.00	0	0	0.00	
MS. TERESA MARTÍN-RETORTILLO RUBIO	10,000	10,000	0	0.00	0	0	0.00	
MR. ÁLVARO ÁLVAREZ-ALONSO PLAZA	19,110	19,110	0	0.00	0	0	0.00	
MS. MARÍA LUISA JORDÁ CASTRO	25,000	25,000	0	0.00	0	0	0.00	
MR. FERNANDO JOSÉ FRANCÉS PONS	200,000	200,000	0	0.02	0	0	0.02	
MS. CRISTINA GARCÍA-PERI-ÁLVAREZ	86,330	86,330	0	0.01	0	0	0.01	
% of total voting rights held by the board of directors	53,092,894	5,988,541	47,104,353	5.89	85,703	0.01	5.90	
Total % of voting rights represented on the board of directors (**)	261,567,070	214,462,717	47,104,353	29.10%	85,703	0.010	29.100%	

• **Treasury shares**



200,000

No. of direct shares



20,643

No. of **indirect** shares through subsidiary Hispamarket



0.025

% of total share capital

Significant changes (within the meaning of Royal Decree 1362/2007) during the year:

On 15 March 2023, it sent a voluntary notification to the CNMV, without deducting the transfers, as shown below:

- Total number of direct shares acquired: 1,726,065
- Total number of indirect shares acquired: 6,772,308
- Total percentage of share capital: 0.945

On 16 November 2023, it sent a voluntary notification to the CNMV, without deducting the transfers, as shown below:

- Total number of direct shares acquired: 1,695,254
- Total number of indirect shares acquired: 7,280,704
- Total percentage of share capital: 0.999

The Annual General Meeting held on 19 March 2020 authorised the board of directors (with express authority to delegate such power to the executive committee) for the **derivative acquisition of treasury shares by the Company** and/or by its subsidiaries, under the terms and conditions established in applicable legislation and with express authority to dispose of or redeem such shares through a reduction in the amount of share capital, cancelling the power delegated by the shareholders at previous Annual General Meetings to the extent of the unused amount.

Such acquisitions may be made at any time, and as many times as is deemed appropriate, in any form or manner, including with a charge to profit for the year and/or to unrestricted reserves. The par value of the maximum number of shares to be acquired at any time may not exceed 10% of the Bank's share capital at any time or, where applicable, a higher figure that is legally permitted, notwithstanding the scenarios stipulated in article 144 referred by article 509 of the Spanish Companies Act. Any or all of the shares acquired by the Bank or its subsidiaries in use of this authorisation may be allocated to the Company's directors and employees when there is a recognised right, be it directly or as a result of the exercise of options held by such persons, for the purposes described in the last paragraph of article 146.1

of the Spanish Companies Act. The minimum price per share will be the par value, while the maximum price for purchase and sale transactions completed on an official secondary market will be 10 per cent above the stock market price of the shares at the time the transaction is executed or agreed.

If treasury shares are acquired in fulfilment of obligations contained in option agreements or contracts, forward purchase agreements or similar agreements previously entered into by the Bank, including those covering convertible or exchangeable shares and bonds that are, or must be delivered directly to the Bank's directors or employees, or that result from the exercise of option rights held by such persons (such transactions as also covered by this authorisation), the applicable price shall be as agreed upon in the respective contract or agreement.

On the same date and by the same resolution, the board of directors was authorised, with express authority to delegate such power to the executive committee, to approve a reduction in share capital to redeem the treasury shares and to set the terms and conditions and purpose of the capital reduction, agree to delist the shares and amend article 5 of the corporate by-laws accordingly, and to modify the par value of the shares without increasing or reducing the amount of share capital. The authorisation granted is valid for five years from the date of the resolution and covers all treasury share transactions made in accordance with its terms. It remains in full force and effect at the date of this report.

2.3.- Shareholders' agreements and other disclosures regarding relationships among shareholders.

The company has not been notified of any shareholders' agreements that may affect it.

Bankinter and/or the companies within its group are not aware of the existence of any family, commercial, contractual or corporate relations among the significant shareholders listed above.

No commercial, contractual or corporate relationships exist between significant shareholders and the company and/or its group except those arising in the ordinary course of business.

At Bankinter, there is no individual or company that exercises or may exercise control over the company in accordance with Article 5 of the Spanish Securities Market Act.

2.4.- Authorisation to increase capital

Approval was given at the Annual General Meeting held on 21 March 2019 to delegate to the board of directors the power to increase capital on one or more occasions up to the maximum amount of 50% of the Bank's share capital at the time of the approval. However, this threshold is reduced 10% of the Bank's share capital at the time of the approval of the delegation for share capital increases with an exclusion or disapplication of pre-emptive subscription rights, in addition to other situations, as explained below. The term of this agreement is five years from the agreement of the board, so it expires in 2024. Therefore, the board of directors has decided to propose that the Annual General Meeting to be held on

21 March 2024 approve a new delegation agreement with the same characteristics for another five years, accompanied by a mandatory written report from the board of directors that justifies the proposal.

The increases that the board agrees to by virtue of this delegation must be made through monetary contributions and within the maximum term of the agreement (five years), which will be accompanied according to article 286 of the Spanish Companies Act by a report from the board that justifies the proposed modification of the by-laws.

Therefore, the Company considers that this delegation of powers is an appropriate and flexible mechanism enabling it to swiftly and efficiently meet its financing, growth or own funds requirements at any given time, or to seize any related opportunities, in response to prevailing market conditions, business performance, growth at the Company, earnings, or the need to meet capital adequacy requirements.

Share capital and share premium rank among the highest level instruments of all those that can make up an entity's regulatory capital, and can be used to meet any capital adequacy requirement. Prevailing regulations on capital adequacy and own funds applicable to credit institutions, including Bankinter, stipulate that such institutions must possess various capital instruments that enable them to cover the categories of regulatory capital that make up their own funds requirement. Accordingly, institutions must have a wide range of instruments at their disposal, enabling them to effectively capitalise on any opportunities that may arise when complying with capital adequacy and own funds requirements.

To ensure that capital increases are as efficient as possible, often it is important to act swiftly and to be able to obtain an immediate inflow of funds by choosing from whom the capital will be raised. This may require the board to disapply the preemptive subscription right if this proves to be in the Company's best interests and the board of directors therefore considers this to be an overriding objective. As evidenced by previous share capital transactions carried out in the market, rapid decision-making is often extremely important, with the shortest possible delay between decision and action, as this is key to successfully increasing and raising capital in the market.

If this delegation of powers entails disapplying or removing the pre-emptive subscription right, the nominal amount of the capital increases agreed upon by the board by virtue of these delegated powers may not exceed the maximum nominal amount, in cumulative terms, of 10% of the Bank's share capital at the time the delegation of powers is approved, rather than 50% of share capital, which will remain the general limit when the pre-emptive subscription right is not disappplied. This lower ceiling is in line with international standards and recommended good practices and is there to protect the interests of shareholders, which is particularly important in this case as the Company has always had a highly stable shareholding structure and been able to rely on the full support of its shareholders when growing the business.

This 10% limit shall also extend to capital increases carried out under the agreements adopted by the Annual General Meeting in order to meet the conversion of convertible bonds that are issued with the pre-emptive subscription right disappplied.

In the same resolution by the Annual General Meeting, the board of directors was granted authority to delegate such power. According to article 249 of the Spanish Companies Act, it may delegate all or some of powers delegated to it by the Annual General Meeting regarding resolutions to the executive committee.

3. DISCLOSURE OF INFORMATION AND SHAREHOLDER RIGHTS. 2023 ANNUAL GENERAL MEETING

3.1 Dialogue with shareholders

In line with best corporate governance practices and its own corporate culture and values, Bankinter strives continuously to earn and retain the trust of its shareholders and institutional investors, and to ensure the profitability and sustainable growth of their investments in the Bank.

Bankinter treats transparency and constant dialogue with shareholders and institutional investors as a core pillar in its relations with these stakeholders, and works continuously to live up to their expectations. This is achieved through:

<p>1</p> <p>Annual interaction through the Annual General Meeting.</p>	<p>2</p> <p>Presentations of quarterly earnings.</p>	<p>3</p> <p>Dialogue with key investors.</p>	<p>4</p> <p>Events with investors, proxy advisers, analysts on sustainability and other topics of interest.</p>
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The Bank discloses information to all stakeholders **equally**. Therefore, the information on our activities and financial outlook and general information on the Bank is compliant with the CNMV's disclosure recommendations for analysts, institutional investors and other securities market professionals. The purpose of this dialogue is to provide more information about the public information available to all investors and to be able to directly address the issues most relevant to these stakeholders, as well as to clearly and directly understand their expectations and be able to take advantage of any existing synergies, in order to be aligned with the Bank's own interest.

To this end, Bankinter has the following policies approved by the board of directors:

Bankinter policy for communication with shareholders, institutional investors and proxy advisors

Sets out rules and practices applicable in this area and is fully compliant with rules on market abuse and treats all shareholders equally (available on the Bankinter corporate website)

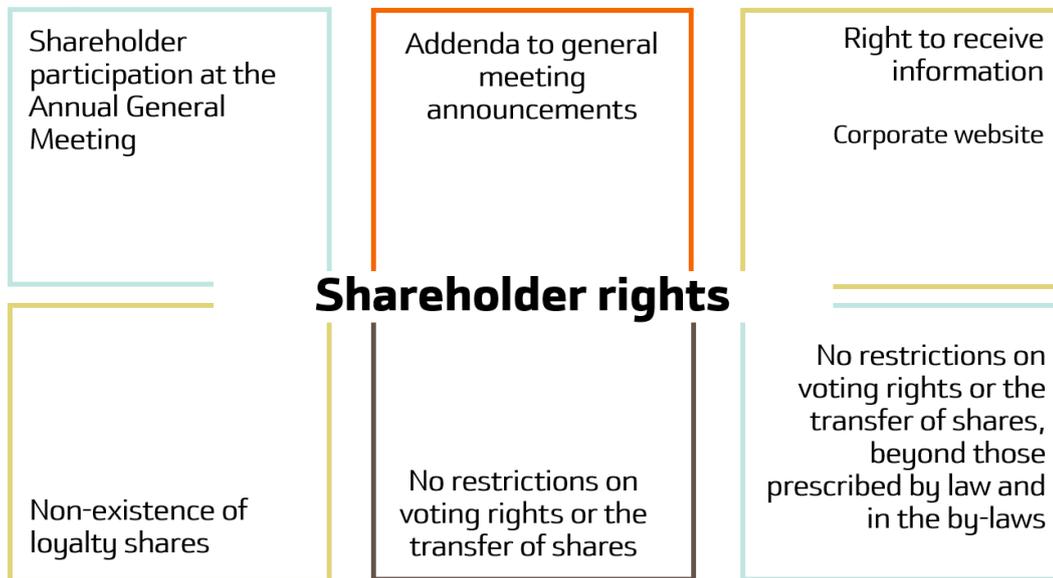
Policy on the communication of economic-financial, non-financial, risk management and corporate information

Framework of action for the management and dissemination by the Company of business, financial and non-financial information, in terms of corporate and risk management

3.2.- Shareholder rights

Bankinter's corporate by-laws envision a single share class conferring the same rights upon all shareholders. Therefore, each Bankinter shares confers one voting right. The by-laws contain no voting caps, thus remaining true to the principle of one voting right and one dividend right per share.

The main rights of Bankinter shareholders are as follows:



Specifically, as regards **the absence of restrictions on voting rights or the transfer of shares**, beyond what is prescribed by law, note that:

- There are no legal or by-law restrictions on the exercise of voting rights, except those resulting from non-compliance with applicable legislation and regulations.

- There are no shares without voting rights or with multiple voting rights; no special privileges when distributing dividends; no restrictions on the number of votes that can be cast by a single shareholder; and no special quorums or supermajorities beyond those provided for at law.
- There are no restrictions on the transfer of shares above and beyond the legal restrictions.
- There are no by-law restrictions on the exercise of voting rights, unless the shares in question were acquired in breach of the By-laws or applicable law.
- Bankinter's by-laws contain no measures to neutralise a takeover bid as defined in the Spanish Securities Market Act.

There are no further restrictions on the acquisition of significant stakes beyond legal and regulatory restrictions which apply due to Bankinter's status as a credit institution and listed company, meaning that the acquisition of significant holdings is subject to regulatory approval or non-objection, among other possible requirements.

Lastly, as regards **shareholder rights at the Annual General Meeting** we highlight:

- **Shareholder participation at the Annual General Meeting.** All holders of shares that have been registered in their name at least five days ahead of the scheduled date of the Annual General Meeting will be entitled to attend that meeting. Bankinter also allows shareholders to exercise their rights of attendance, voting and proxy voting through remote systems, which is also conducive to their full participation at the Annual General Meeting. As explained previously, at the Annual General Meeting held in April 2021, approval was given to amend the corporate by-laws and the rules and regulations of the Annual General Meeting to govern attendance exclusively by electronic means. Another communication channel that the Company makes available to shareholders is the Electronic Shareholders' Forum, which can be found on Bankinter's corporate website ahead of every general meeting. This forum allows shareholders to post motions they wish to add to the meeting agenda contained in the announcement; request other shareholders to back such motions; launch initiatives to reach the percentage required to exercise a legally conferred minority right; and make offers or requests for voluntary representation.
- **Addenda to general meeting announcements.** Shareholders representing, at least, 3% of share capital may insist on the publication of a supplement to the announcement of the general meeting or submit a reasoned motion in respect of business already included, or that should be included, on the agenda of a meeting that has already been called. Any such request must include the names of the shareholders exercising the right and the number of shares they hold. It must also include a description of the matters to be added to the agenda, accompanied by a justification or reasoned motion in relation to those matters and any other documentation deemed relevant. These rights shall be exercised by means of reliable notice sent to the Company's registered office within five days of the publication of the general meeting announcement.
- **Right to receive information.** From the time the Annual General Meeting announcement is published to the fifth day before it is held on first call, shareholders may send written requests for

information or clarification, or raise written questions regarding matters they consider relevant in relation to the items included on the meeting agenda. Shareholders may also use this same procedure to send written requests for clarification regarding information that the Company has disclosed to the CNMV since the last Annual General Meeting or regarding the audit reports. The information requested by shareholders and the answers provided by the Company shall be published on its corporate website. This right to information may also be exercised during the meeting. If the Company is unable to entertain the request at the meeting itself, it may respond instead within seven days of the meeting.

Bankinter has a **corporate website** that includes information on corporate governance, as required by law. In particular, it includes: (i) Bankinter's internal regulations (corporate by-laws, rules and regulations of the board of directors, committee rules and regulations (where applicable), rules and regulations of the Annual General Meeting, etc.); (ii) information on the board of directors and board committees, and the biographies of directors; and (iii) information related to Annual General Meetings. Bankinter's corporate website can be found here: www.bankinter.com/webcorporativa, this being the address filed at the Companies Registry.

3.3.- Dividend policy

In 2023, Bankinter's board of directors stuck to its usual payment schedule for its yearly interim dividends within the previous month when the corresponding quarterly results were submitted.

Article 41 of the corporate by-laws relating to the distribution of dividends states that dividend distributions that are made in a way other than cash or equity instruments will be subject to compliance with the conditions set forth in the applicable legislation and must in any case have the pre-authorisation of the competent authority.

Information on Dividends paid during 2023 is provided below:

PAYMENT DATE	EX-DIVIDEND DATE	GROSS AMOUNT	NET AMOUNT	CURRENCY	RATE	ITEM
29/12/2023	27/12/2023	0.14220835	0.11518876	euro	Ordinary	Interim 2023
27/09/2023	25/09/2023	0.12808265	0.10374695	euro	Ordinary	Interim 2023
28/06/2023	26/06/2023	0.09199018	0.07451205	euro	Ordinary	Interim 2023
30/03/2023	28/03/2023	0.08931488	0.07234505	euro	Final	Interim 2022

3.4 Annual General Meeting

Bankinter's Annual General Meeting is regulated by the Spanish Companies Act and the corporate by-laws, as well as by its own set of rules and regulations, which are available on the Company's corporate website. The latest amendments to the rules and regulations of the Annual General Meeting were approved by shareholders at the Annual General Meeting held on 23 March 2022.

Bankinter's rules and regulations of the Annual General Meeting govern the process for calling, preparing for, announcing, convening and holding general meetings of shareholders of Bankinter, S.A. (the Company's supreme council). They set out the principles for organising and conducting them based on matters regulated by law and by the corporate by-laws; as well as laying down shareholders' right to obtain information, take part in meetings and vote. Those rules and regulation establish the majorities and quorum required to approve motions submitted at the Annual General Meeting, as follows:

Quorums and majorities required to approve resolutions submitted at the Annual General Meeting

General resolutions regarding the General Meeting

The system of majorities set out in the corporate by-laws and in the rules and regulations of the Annual General Meeting for the valid constitution of the Annual General Meeting and for carrying resolutions is effectively the system envisioned under the laws of Spain.

Thus, **on first call, shareholders representing at least twenty-five per cent of subscribed share capital conferring the right to vote are required to attend.** If this quorum is not met, the general meeting shall be held on second call, for which there is no minimum quorum. When determining whether a general meeting is quorate, shareholders who voted by mail or electronic channels prior to the meeting will be counted as shareholders present, as established in the Company's rules and regulations of the Annual General Meeting. **Broadly speaking, a resolution will be adopted when it receives more votes for than against among the share capital present or represented.**

Amendments to the corporate by-laws.

The Annual General Meeting has exclusive power to agree on any amendment to the corporate by-laws, except to relocate the registered office within national territory, the resolution for which must also be agreed by the board of directors. In the case of by-law amendments, the directors or shareholders who tabled the amendment must draft the full text of the proposed amendment, along with a written report in support of the amendment, all of which shall be made available to shareholders upon announcing the general meeting voting on it. Further, the general meeting announcement must clearly state the points to be amended and remind shareholders that they are entitled to examine the full text of the proposed amendment and accompanying report at the registered office, or request that such documents be delivered or sent to them free of charge.

When the by-law amendment imposes new obligations on shareholders, the resolution shall require the consent of all affected parties.

By-law amendments must be authorised by the competent authority. However, amendments for the following purposes are excluded from this authorisation requirement (but must still be disclosed to the competent authority): (i) to move the registered office within national territory; (ii) to increase share capital; (iii) to include, verbatim in the corporate by-laws mandatory legal or regulatory provisions or prohibitions, or the recasting of articles to comply with court or governmental orders; and (iv) to make any other amendments for which the competent authority, in response to a prior consultation made in that regard, has decided to waive with the authorisation on the understanding that the matter is immaterial.

- **Quorum:** if a general meeting is called to deliberate on amendments to the corporate by-laws, shareholders representing at least fifty per cent of the subscribed share capital carrying voting rights must attend on first call. If this quorum is not met, the general meeting shall be held on second call, and the presence of twenty-five per cent of that capital will suffice.
- **Majorities for approval:** when shareholders representing less than fifty per cent of subscribed voting capital are present, resolutions on by-law amendments may be validly carried with the favourable vote of two thirds of capital, present or represented, at the meeting. However, when shareholders representing fifty per cent or more of the subscribed voting capital are present, resolutions shall require an absolute majority.

Other specific majorities

According to applicable law and regulations governing credit institutions, any motion to raise the ratio of variable to fixed remuneration components to above 100% (subject to a cap of 200%) for executive directors and other key function holders shall require a supermajority of two-thirds of the share capital present or represented at the general meeting if the quorum exceeds 50% and a majority of three quarters of share capital present or represented at the general meeting if that quorum is not reached.

Bankinter's corporate by-laws do not require decisions entailing the acquisition, disposal or contribution to another company of core assets or similar corporate transactions to be laid before shareholders at an annual general meeting for approval, except where legally required.

• **Right to attend:**

Minimum no. of shares to attend in person 600 shares	No restrictions on voting through remote means	Unpaid attendance
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• **Trend in quorum at Annual General Meetings of recent years:**

The quorum of the 2023 General Shareholders' Meeting was 73.45%, remaining at the same levels of recent years.

The following chart shows the trend in quorum in recent years.

2015	2016	2017	2018	2019	2020	2021	2022	2023
73,16%	74,10%	72,29%	74,75%	70,55%	71,60%	74,57%	75,80%	73,45%

The following table sets out the quorum at the Annual General Meetings of the past three years by attendance, proxy and electronic voting, along with the percentage corresponding to free float::

Date of general meeting	% physically present	Attendance data			Total (**)
		% present by proxy (*)	% voting remotely Electronic	Other	
21/04/2021	0.39	70.40	3.78	0.00	74.57
Of which floating capital:	0.05	34.42	3.78	0.00	38.25
23/03/2022	0.61	73.4	1.79	0.00	75.80
Of which floating capital:	0.27	36.34	1.79	0.00	38.40
23/03/2023	0.43	71.40	1.62	0.00	73.45
Of which floating capital:	0.08	33.51	1.62	0.00	35.21

(*) Almost all directors attending the Annual General Meeting instructed the chair of the board of directors to vote on their behalf.

(**) Including treasury shares

- 2023 Annual General Meeting**

Bankinter convened its Annual General Meeting on 22 February 2023 and held it on 23 March 2023. It was also broadcast live on the corporate website.

To ensure that shareholders wishing to exercise their right to vote at the Annual General Meeting could attend, Bankinter's board of directors offered the possibility of participating in the following ways: (i) physical attendance, (ii) remote attendance, (iii) proxy issued to the chair of the meeting through remote communication means, (iv) early voting through remote communication means, and (v) other means available, as detailed in the meeting announcement.

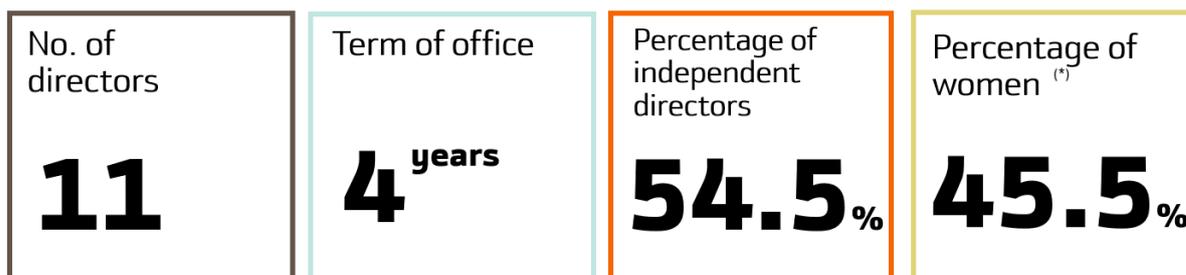
- Voting results and 2023 Annual General Meeting resolutions**

All items on the agenda of the 2023 Annual General Meeting were approved, with the percentage of votes in favour exceeding 88%, as shown in the following table of approval figures for the motions submitted to the Annual General Meeting held on 23 March 2023. This information is also available on Bankinter's corporate website:

Resolution/motion	% against vs. proxies/ in attendance	% abstaining vs. proxies / in attendance	% blank votes vs. proxies/in attendance	% approved vs. proxies/in attendance
1. Review and approval of the 2022 annual accounts	0.127%	0.220%	0.002%	99.651%
2. Review and approval of the non-financial statement for 2022	0.139%	0.058%	0.006%	99.797%
3. Approval of the board's performance in 2022	0.259%	1.215%	0.006%	98.520%
4. Review and approval of the distribution of earnings and dividend for 2022	0.007%	0.016%	0.000%	99.977%
5.- Re-election of the auditor of the company and the consolidated group for 2023.	0.340%	0.027%	0.004%	99.629%
6.1. Re-election of María Dolores Dancausa Treviño as chief executive officer.	0.477%	0.097%	0.000%	99.426%
6.2. Re-election of María Teresa Pulido Mendoza as independent external director.	0.135%	0.100%	0.001%	99.765%
6.3. Re-election of María Luisa Jordá Castro as independent external director.	0.141%	0.126%	0.003%	99.730%
6.4.- Re-election of Álvaro Álvarez-Alonso Plaza as independent external director.	1.656%	0.032%	0.001%	98.311%
6.5.- Establishment of the number of directors	0.073%	0.026%	0.000%	99.900%
7.- Approval of a restricted capitalisation reserve pursuant to the provisions of section 25.1.b) of Law 27/2014 of 27 November on Corporate Income Tax.	0.008%	0.018%	0.009%	99.964%
8.1.- Approval of the delivery of shares to the executive directors for their executive duties, and to senior management as part of the variable remuneration accrued in 2022.	0.756%	0.253%	0.007%	98.984%
8.2.- Approval of the maximum level of variable remuneration for certain employees whose professional activities have a material impact on the company's risk profile.	2.586%	0.220%	0.002%	97.192%
9. Delegation of the power to execute resolutions	0.019%	0.025%	0.008%	99.947%
10.- Annual director remuneration report (advisory vote)	11.000%	0.219%	0.009%	88.773%

4.- BOARD OF DIRECTORS

The composition of the Council as of the date of approval of this document has the following characteristics:



(*) One as chief executive officer and highest-ranking executive of the company since 2010.

4.1.- Rules and regulations of the board of directors

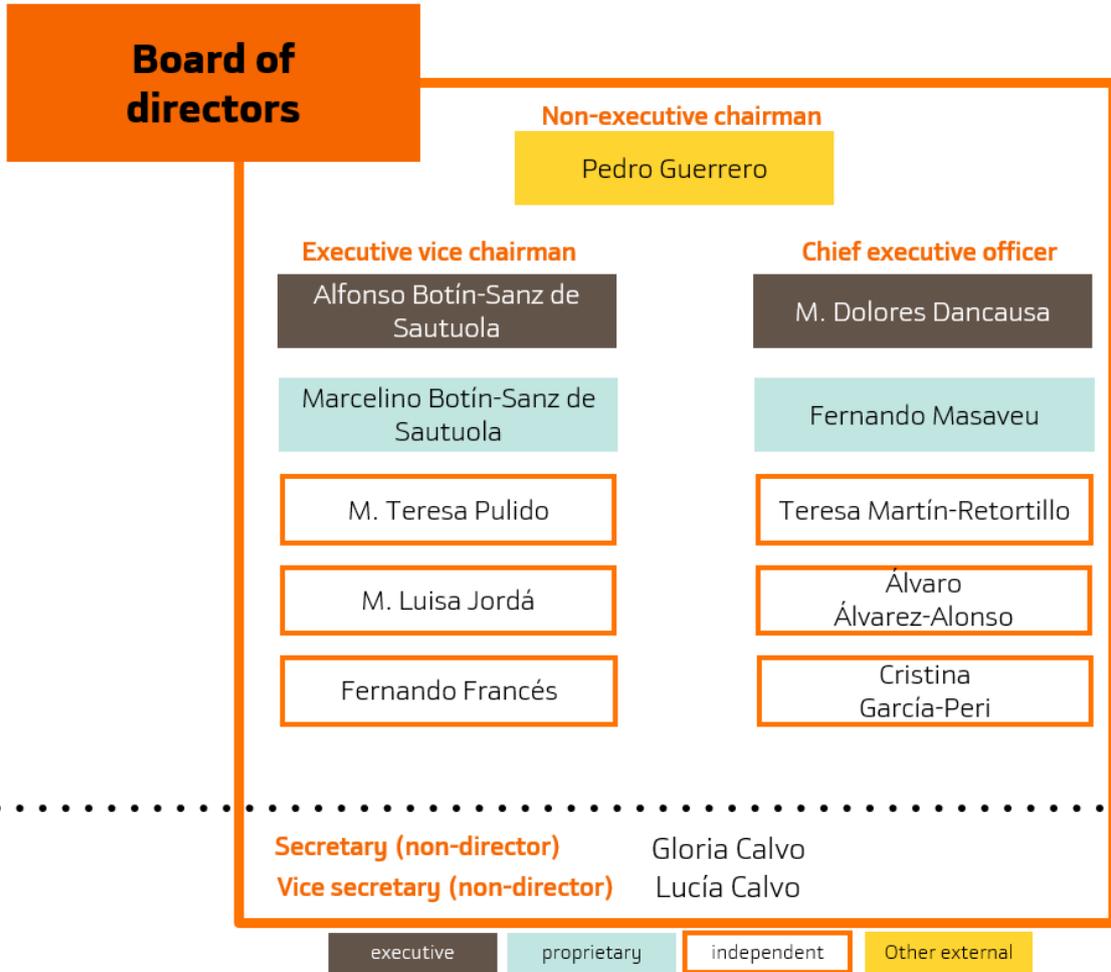
The internal operation and workings of the board of directors and board committees shall be governed by the rules and regulations of the board of directors, in accordance with applicable law and the corporate by-laws. The rules and regulations of the board of directors shall regulate such matters as the rights and duties of directors, the rules of conduct in the securities market to which directors are subject and the role of board advisor, together with specific measures to ensure the best possible management of the Company. The approval and any subsequent amendment of these regulations must be ratified by two thirds of its members in the form of a resolution.

The last modification of the rules and regulations of the board of directors took place in the board of directors meeting of 22 June 2022 in order to align them with the modifications of the by-laws approved by the Annual General Meeting in 2022.

In financial year 2023, no modifications were made in relation to the Bank's rules and regulations of the board of directors.

4.2 Composition of the board of directors

The composition of board of directors at the date of approval of this report had not unchanged from 31 December 2023 and was as follows:



The following table sets out the dates directors were first appointed and their last re-election date, with all appointments and re-elections based on a favourable report from the sustainability and appointments committee and the board committees on which the directors sat as at the date of approval of this report:

Position	Director	Category	Date first appointed	Date of last appointment	Date of last appointment	Committees
Chair	Pedro Guerrero Guerrero	Other external	13.04.2000	21.04.2021	2025	
Executive vice chairman	Alfonso Botín-Sanz de Sautuola y Naveda	Executive	23.03.2022	23.03.2022	2026	
Chief executive officer	María Dolores Dancausa Treviño	Executive	21.10.2010	23.03.2023	2027	
Director	Fernando Masaveu Herrero	Proprietary	14.09.2005	21.04.2021	2025	
Director	Marcelino Botín-Sanz de Sautuola y Naveda	Proprietary	21.04.2005	21.04.2021	2025	
Director	Teresa Martín-Retortillo Rubio	Independent	07.11.2017	23.03.2022	2026	
Director	María Teresa Pulido Mendoza	Independent	23.07.2014	23.03.2023	2027	
Director	Álvaro Álvarez-Alonso Plaza	Independent	21.03.2019	23.03.2023	2027	
Director	María Luisa Jordá Castro	Independent	21.03.2019	21.03.2023	2027	
Director	Fernando José Francés Pons	Independent	19.03.2020	19.03.2020	2024	
Director	Cristina García-Peri Álvarez	Independent	21.04.2021	21.04.2021	2025	

Executive committee
 Audit committee
 Risk and compliance committee
 Remuneration committee
 Sustainability and appointments committee

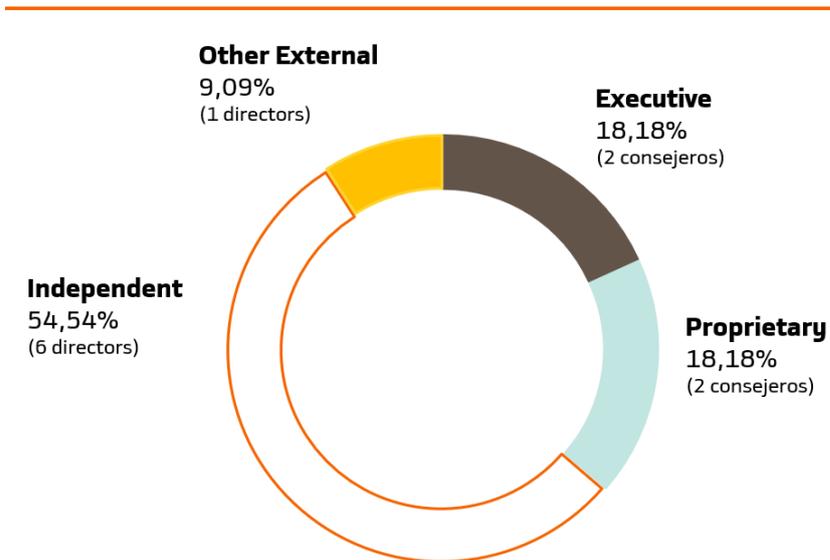
No directors resigned in 2023 and none were removed through a resolution of the Annual General Meeting and there were no changes in category of current directors.

In 2023, as stated at the beginning of the report with regard to the main developments in terms of appointments, the executive director Ms. Maria Dolores Dancausa Treviño's term of office ended and she was re-appointed, as well as the following external independent directors: Ms. María Teresa Pulido Mendoza, Ms. María Luisa Jordá Castro and Mr. Álvaro Álvarez-Alonso Plaza, for the maximum period of four years as established by the by-laws.

No proprietary directors were appointed on the request of shareholders with a shareholding of less than 3% and no formal requests for a seat on the board was received from shareholders with shareholding equal to or greater than the shareholding of others upon whose request they were been appointed proprietary directors.

The board of directors has a balanced membership between executive and external directors. Most of the external directors are independent directors. The sustainability and appointments committee verified each director's category. The following table shows the percentages of each director category on the board:

Breakdown by category of director
Board of directors



As indicated in the first section of this report, on 20 December 2023, the board of directors decided to propose the appointment of Ms. María Dolores Dancausa Treviño, as non-executive chairwoman of the bank, replacing Mr. Pedro Guerrero Guerrero, who has resigned from that position after 17 years chairing the board of directors, and the appointment, by the Annual General Meeting of the Bank, to be held on 21 March 2024, of Ms. Gloria Ortiz Portero, current General Director of commercial retail banking, as the new chief executive officer of the bank. Both appointments will be effective on the day of the aforementioned Annual General Meeting. These decisions guarantee that handover always takes place in an orderly manner and that business continuity is protected without any setbacks.

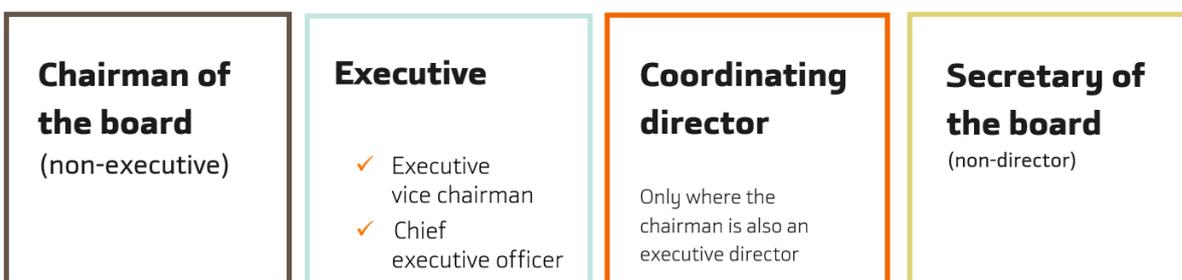
In addition, as discussed in the first section, in order to fill the vacancy created as a result of Fernando J. Francés Pons's resignation, at his own request for personal reasons, the board agreed, in its meeting on 20 February 2024, to submit to the Annual General Meeting to be held on 21 March 2024, a reasoned proposal from the sustainability and appointments committee for the appointment of Teresa Paz-Ares Rodríguez, as independent external director, subject to obtaining the corresponding administrative authorisations.

Therefore, the board of directors continues to have and consolidate, on the one hand, a size favouring effectiveness, where all directors may participate and decision-making is agile and, on the other hand, a structure that reflects the existing proportion between the company's capital, represented by the proprietary directors, and the rest of the capital. Bankinter will continue to have 54.5% independent directors, which means it complies with national and international recommendations and best practices.

The rules and regulations of the board of directors do not set a limited term of office for independent directors beyond that prescribed by law (12 years). The average tenure of external independent directors at year-end 2023 was 5 years.

None of the external independent directors receives, from Bankinter or its group, any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in the group during the past year, whether in his or her own name or as a significant shareholder, director or senior manager of a company that has or has had such a relationship.

- **Positions held on Bankinter's board of directors**



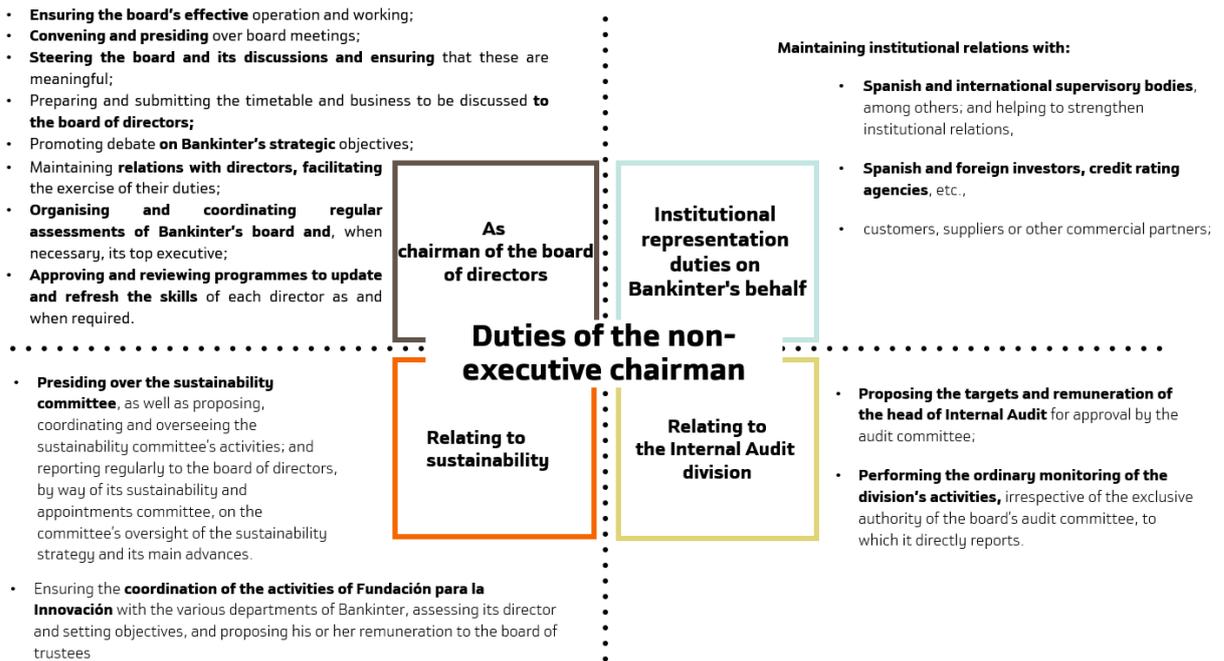
The various positions on the board of directors and the persons who currently hold them are as follows:



According to article 26 of the corporate by-laws and article 27 of the rules and regulations of the board of directors, the board of directors shall appoint a chair from among its ranks, based on a favourable report from the sustainability and appointments committee.

As of the date of approval of this report, **Mr. Pedro Guerrero Guerrero is the non-executive chair of Bankinter**. He was appointed chair of Bankinter's board of directors on 19 April 2007, under the category of executive director. On 1 January 2013, Mr. Pedro Guerrero Guerrero ceased to be an executive director, making Bankinter the first bank to separate the duties of its chair from his executive duties. Mr. Pedro Guerrero has resigned from his role on the next board after 17 and as previously indicated he will be replaced by Ms. María Dolores Dancausa Treviño, who will stand down from all her executive duties on the same date.

Pursuant to Bankinter's corporate by-laws and the rules and regulations of the board of directors, the chair of the board of directors is ultimately responsible for the effective operation and working of the board. Bankinter's chair also discharges the following duties, none of which are executive:



Executive

- ✓ Executive vice chairman
- ✓ Chief executive officer

Articles 26 and 27 of the corporate by-laws and articles 29 and 30 of the rules and regulations of the board of directors govern the positions of executive directors. The rules and regulations of the board of directors allows for the permanent delegation of powers to executive directors.

As of the date of approval of this report, the following executive positions exist on the board of directors:

Alfonso Botín-Sanz de Sautuola y Naveda

Executive vice chairman

- Chairs the executive committee
- Has duties related directly to risk management of the institution, interest rates (ALCO portfolio).
- Business and corporate development, strategy
- Investment banking

María Dolores Dancausa Treviño

Chief executive officer

Tasked with the day-to-day management of the business and discharges the highest management and executive duties at the Company

It will be put to the Annual General Meeting to be held on 21 March 2024, that Ms. Gloria Ortiz Portero be appointed as executive director current General Director of Commercial Retail Banking, after which she will be appointed the new CEO of the bank, replacing Ms. María Dolores Dancausa Treviño.

Below is a description of the general features of the current contracts binding the non-executive chair and executive directors to the company and the existing separation of powers, including:

Commercial or services contracts

The Chairman has a services contract with the company, and the executive vice president and chief executive officer management contracts with the company. No other directors have signed contracts with the company.

The annual report on the remuneration of directors provides details on the terms and conditions of those contracts.

Segregation of duties

Bankinter staunchly defends the importance of a **proper balance of power in decision-making processes and**, to this end, has established a clear **segregation of duties between the non-executive chairman, the executive vice chairman and the chief executive officer**, as explained in the preceding sections of this report.

Coordinating director

Only where the chairman is also an executive director

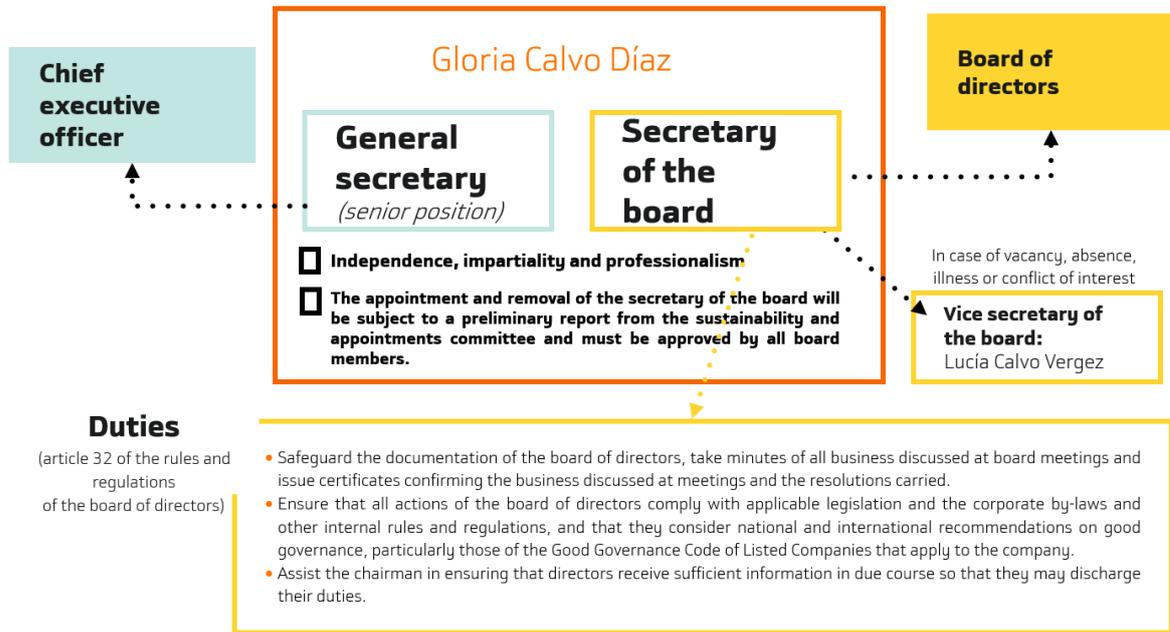
The Spanish Companies Act, Bankinter's corporate by-laws and the rules and regulations of the board of directors (article 31) state that it will be necessary to appoint a coordinating director when the chair of the board of directors is executive. Furthermore, the same provision establishes that the board may decide to appoint a coordinating director even if the chair is not executive. As of the date of approval of this report, no director coordinator has been appointed.

Secretary of the board
(non-director)

Article 32 of the Rules and Regulations of the board of directors states that the duties of secretary of the board shall be performed by the person appointed by the board for that purpose, who may or may not be a director.

To ensure the independence, impartiality and professionalism of this post:

- The secretary of the board, acting in his or her position as such, shall report only to the board of directors and its chair.
- The appointment and removal of the secretary of the board will be subject to a preliminary report from the sustainability and appointments committee and must be approved by all board members.



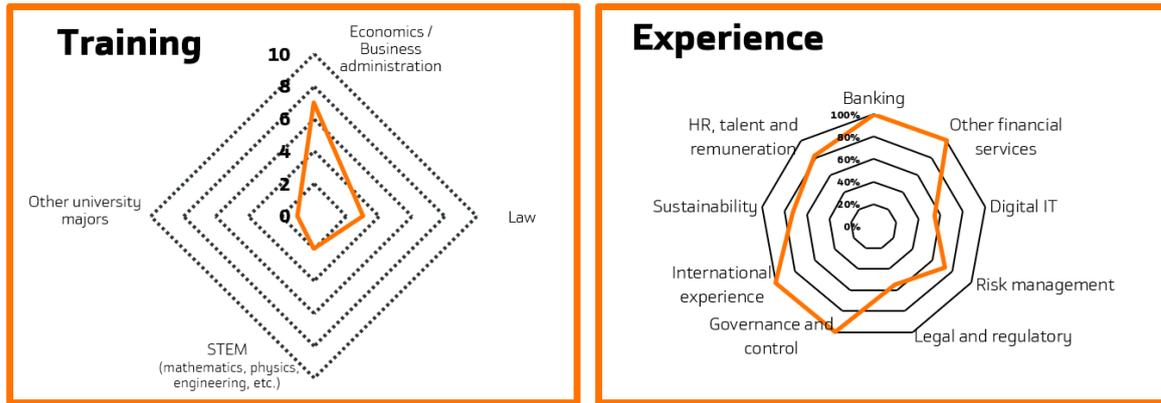
4.3.- Diversity on the board of directors

- **Diversity of members of the board of directors**

The diversity in terms of the composition of the members of the board of directors is reflected in the bank's competency matrix, which includes the competencies of each member of the board based on their theme-based and horizontal skills and competencies.

This information is especially useful for the selection and appointment processes for board members.

Likewise, by analysing the information contained in the board's competencies and diversity matrix, it can be seen that there are no substantial deficiencies in terms of the qualitative composition of the board. In any case, the suitability and diversity of the Board are continuously monitored.



The following section includes a section on the knowledge, experience and competencies of the members of the board, which is used to prepare this matrix.

Director profiles

Set out below are disclosures on the knowledge and experience/skills and competencies and other information of interest of each board member based on the composition of the board of directors as at the date of approval of this report, which was unchanged from 31 December 2023:

Executive directors:

Alfonso Botín-Sanz de Sautuola y Naveda

Position on the board:	Executive vice chair
Director category:	Executive
Nationality:	Spanish

Education: Graduated magna cum laude from Boston University with a degree in economics (major) and classical civilisation Clásicas (minor).

Experience: He worked at the Corporate Finance and M&A department of Salomon Brothers until 1995. Since then, he has held various positions at Bankinter, including Business Manager of the Risk division, Account Manager of Corporate Banking and Managing Director of Bankinter's venture capital subsidiary. He is also the founding shareholder of Aleph Capital SGEGR, S.A.

He sat on Bankinter's board in his own name from 2002 through to 2005 and from 2005 to 2022, he was the natural person representative of director CARTIVAL, S.A. (currently CEO) at Bankinter holding the position of executive vice chair of the board on behalf of said legal entity director. He is currently the natural person director and executive vice chair of Bankinter, S.A. and chair of the executive committee, performing duties related to risk management, interest rates (ALCO portfolio), business and corporate development, strategy and investment banking.

Since the end of 2022, he has presided over the board of subsidiary Bankinter Investment..

He was chair of the board of Línea Directa Aseguradora, with executive duties, from 2005 until the company's spin-off from the Group in 2021 (when he ceased to perform executive duties), helping

drive the company's internal and market share growth. Línea Directa Aseguradora is a leader in telemarketing and digitalisation in the insurance market..



OTHER POSITIONS HELD CURRENTLY:

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
CARTIVAL, S.A. <i>(significant shareholder of Bankinter)</i>	Chief executive officer	Yes	Yes
Other companies of the CARTIVAL holding company	Sole administrator	Yes	No
Línea Directa Aseguradora, S.A. de Seguros y Reaseguros	Chair (non-executive)	No	Yes
LDA Foundation	Chair	No	No



Positions at other Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
Bankinter Investment, SAU	Chair of the board	No	No

María Dolores Dancausa Treviño

Position on the board:	Chief executive officer
Director category:	Executive
Nationality:	Spanish



Education: She has a law degree from CEU San Pablo University. She also completed an AMP (Advance Management Programme) at INSEAD Business School (Fontainebleau) and several management programmes at Harvard Business School.



Experience: She has spent her entire career in the financial sector, first at Banco Exterior and then at Bankinter. When Línea Directa Aseguradora was created in 1994, she was appointed general secretary of the company and of the board of directors, holding these posts until 2008, when she was appointed the company's chief executive officer. After her appointment in 2010 as Bankinter chief executive officer, she remained on Línea Directa Aseguradora's board of directors until the company's IPO in 2021. From 2013 to 2018, she served as independent external director of British firm ESURE, one of the UK's leading insurance companies. Since June 2021, she has been an independent director at Acciona S.A. and is currently the chair of its appointments and remuneration committee..



OTHER POSITIONS HELD CURRENTLY:

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
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ACCIONA, S.A.	External independent director and chairwoman of the appointments and remuneration committee	No	Yes
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Positions at Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
Bankinter Consumer Finance, EFC	Chair of the board	No	No
EVO Banco, S.A.	Chair of the board	No	No
Bankinter Global Services, S.A.	Chair of the board	No	No
Avantcard, DAC	Chair of the board	No	No
Bankinter Investment, SAU	Proprietary director	No	No
Bankinter Innovation Foundation	Member of the Board of Trustees	No	No

External directors:

Pedro Guerrero Guerrero

Position on the board:	Non-executive chair
Director category:	Other external directors ¹
Nationality:	Spanish



Education: Degree in law from the Complutense University of Madrid.



Experience: He is a state lawyer, exchange agent and stockbroker, and Madrid notary public (on leave). He was chair of governing company of the Madrid Stock Exchange, Sociedad Rectora de la Bolsa de Madrid and Sociedad de Bolsas. Founding member and vice chair of A.B. Asesores Bursátiles, S.A. and chair of A.B. Asesores Gestión and A.B. Asesores Red, the first company to channel foreign investment in Spain's securities market. He was Managing Director of private banking for Spain, Italy, Portugal and Greece at Morgan Stanley. He has been chair of Bankinter's board of directors since April 2007, exercising executive duties until 2010, and is chair of its sustainability committee. He was a director at PROSEGUR, S.A. from 2005 to 2017 and director at Línea Directa Aseguradora until its IPO in 2021. He has been vice chair of Prosegur Cash, S.A. and member of its sustainability, corporate governance, appointments and remuneration committee since 2017.

¹ The binding definition of independent director found in the Spanish Companies Act states that one of the circumstances barring a director from qualifying as an independent director is where that director has been an employee or executive director of the company or its group, unless three or five years, respectively, have elapsed since the end of that relationship. Pedro Guerrero Guerrero served as executive chair of Bankinter until 31 December 2012, when he ceased to discharge executive duties. Although at 31 December 2018 five years had already passed since Mr Guerrero stepped down from his executive position, he was in fact appointed director of Bankinter on 13 April 2000, making it over 12 years of continuous service as a Bankinter director. According to the Spanish Companies Act, any board member who has been a director for a continuous period of more than 12 years may not be considered an independent director. Accordingly, Mr Guerrero falls within the category of 'Other external directors'.

 **OTHER POSITIONS HELD CURRENTLY:**

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated ?
Prosegur Cash, S.A.	Vice chair and member of its sustainability, corporate governance, appointments and remuneration committee	No	Yes
Corporación Villanueva, S.A.	Joint and several director	Yes	No
Línea Directa Foundation	Member of the Board of Trustees	No	No
Fundación Lealtad 2001	Member of the Board of Trustees	No	No

 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?
Fundación de la Innovación Bankinter	Member of the Board of Trustees	No	No
Cre100do Foundation	Member of the Board of Trustees	No	No

Marcelino Botín-Sanz de Sautuola y Naveda

Director category: External proprietary

Nationality: Spanish

 **Education:** Degree in naval architecture and yacht design from the University of Southampton, United Kingdom (1994).

 **Experience:** He designs sport boats for his company Astilleros Mouro, S.L. He represented CARTIVAL, S.A. on Bankinter's board of directors from 1997 to 2005. Since 2005, he has been a member of Bankinter's board of directors, as proprietary director, and its sustainability and appointments committee.

Currently, he is board member of CARTIVAL, and since 2022 he has been joint chief executive officer of this company and a significant shareholder of Bankinter.

 **OTHER POSITIONS HELD CURRENTLY:**
Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
CARTIVAL, S.A. <i>(significant shareholder of Bankinter)</i>	Chief executive officer	Yes	Yes
Botín Partners, S.L.	Sole administrator	Yes	No

 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?

Fernando María Masaveu Herrero

Director category:	External proprietary
Nationality:	Spanish

 **Education:** Degree in law from the University of Navarre

 **Experience:** He was a director of Banco Herrero and vice chair of the Spanish Cement Employers' Association OFICEMEN.

He joined the Masaveu Group in 1993 and has held various positions there, currently serving as chair of the Group, which operates in various sectors, including energy, finance, industry, cement and real estate. He is executive chair of Corporación Masaveu, S.A. and, within the Group, chair of Cementos Tudela Veguin, S.A., Oppidum Capital, S.L. and the American companies of Masaveu Real Estate US Delaware LLC, Oppidum Renewables USA Inc. and Oppidum Green Energy USA LLC, among others. He also sits of the boards of American Cement Advisors Inc., EGEO Internacional and EGEO SGPS. He is a joint administrator at Flicka Forestal, S.L. He sits on the general and supervisory committee of EDP, S.A. and is a member of the on corporate governance and sustainability committee and director of EDP España, S.A. He is a proprietary director of Línea Directa Aseguradora, S.A. de Seguros y Reaseguros.

He is also chair of Fundación María Cristina Masaveu Peterson and Fundación San Ignacio de Loyola. He is a trustee and member of the executive committee and heritage committee of Fundación Princesa de Asturias. Trustee of the ProRAE Foundation. He is an international trustee of Fundación Amigos Museo del Prado. He also a member of the international council of the Metropolitan Museum of Art of New York.

He is an Army Brand Ambassador.

 **OTHER POSITIONS HELD CURRENTLY:**
Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?

Corporación Masaveu, S.A. (*) <i>(significant shareholders of Bankinter)</i>	Chair	Yes	Yes
Fundación María Cristina Masaveu Peterson	Chair	No	No
Fundación San Ignacio de Loyola	Chair	No	No
Flicka Forestal, S.L. (**)	Joint administrator	Yes	Yes
American Cement Advisors, Inc EGEO International EGEO SGPS	Director Director Director	No	No
EDP, S.A.	Member of the GSB (General Supervisory Board) and member of the corporate governance and sustainability committee	No	Yes
EDP España, S.A.	Director	No	Yes
Línea Directa Aseguradora, S.A.	Proprietary director	No	Yes

(*) Fernando Masaveu is chair of the board of directors / member of the administrative body in several companies of the Group whose parent is Corporación Masaveu, S.A.
(**) Fernando Masaveu is chair of the board of directors / member of the administrative body in several companies controlled by Flicka Forestal, S.L.

 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

María Teresa Pulido Mendoza

Director category: External independent

Nationality: North American / Spanish

 **Education:** Degree in Economics from Columbia University and a MBA from MIT - Sloan School of Management.

 **Experience:** She has more than 25 years of professional experience in strategic consultancy (McKinsey & Co), private and corporate banking (Citibank and Deutsche Bank) and infrastructure (Ferrovial S.A.). At these companies, she has mainly worked on strategy, business development and transformation projects. She has been General Director of Strategy at Ferrovial since 2011 and a member of the Management Committee since 2014. Maria Teresa is also part of the MIT - Sloan EMSAEB (Executive Board).

 **OTHER POSITIONS HELD CURRENTLY:**

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
FERROVIAL, S.A.	Member of the Management Committee	Yes	Yes

STRATNET INVERSIONES SRL	Sole administrator	Yes	No
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 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

Teresa Martín-Retortillo Rubio

Director category: External independent

Nationality: Spanish

 **Education:** Graduated from the Colegio Universitario de Estudios Financieros (CUNEF) affiliated with Universidad Complutense de Madrid, with a degree in business administration with a double concentration in auditing and finance. MBA from Harvard Business School (1995).

 **Experience:** Executive president of IE Exponential Learning (including IE's executive education division) since September 2016. She was previously senior vice president of strategy and business development at McGraw-Hill Education in the United States. Before that, she was a partner at the global management consulting firm Bain & Company, where she worked for 19 years, holding several positions of responsibility in both Madrid and the United States, focusing in particular on investment advice (venture capital and M&A). She also worked at Goldman Sachs as a corporate finance analyst in London. Currently, she is an independent external director of the Bankinter subsidiary, EVO Banco, S.A.

 **OTHER POSITIONS HELD CURRENTLY:**
Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
IE Exponential Learning	Executive chair	Yes	Yes

 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?
EVO Banco, S.A.	External independent director	No	Yes

Álvaro Álvarez-Alonso Plaza

Director category: External independent

Nationality: Spanish



Education: The Choate School, Wallingford, Connecticut, USA. Pre-university studies (high school graduate). Faculty of Economic Sciences, Complutense University



Experience: He has extensive experience on the boards of such companies as FOCSA (now FCC), FILO (listed company operating in the real estate sector); HEINEKEN ESPAÑA and Cervezas EL ÁGUILA (as chair of the board); Europistas, Eurovías and Autopistas del Sol (as proprietary director of JOHN LAING INVESTMENTS). He also has extensive experience within investment banking, as chair for Spain of MERRILL LYNCH, where he worked for over 15 years, with responsibilities at various areas and departments, including international stock market services, corporate finance and asset management. He was co-director of the Madrid office of E.F.HUTTON&CO.; the company introduced the first financial futures operations in Spain. He also founded IBERMER, a firm specialising in investment banking and capital development operations, focussing in the audiovisuals sector, having advised CANAL+ on how best to enter the Spanish market; he served as vice chair of the board of directors of BANCAPITAL up until its sale to BANQUE INDOSUEZ; and he sat on the board of directors of BARÓN DE LEY, S.A. He was also consultant and adviser to TEXACO (an oil company which has since merged with CHEVRON Inc) for its businesses in Spain. In 2001, he founded AVANZA S.A., an outsourcing services company where he was chair until 2015.



OTHER POSITIONS HELD CURRENTLY:

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-



Positions at Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

María Luisa Jordá Castro

Director category: Independent external

Nationality: Spanish



Education: She holds a degree in Business Science and MBAs from Instituto de Empresa and Centro Estudios Financieros (1985-1987) and a masters in Digital Business from The Valley Business School (2016-2017). Business Angel course at Deusto Business School Madrid (2018). She is a member of Spain's Officer Register of Account Auditors (ROAC) and the Institute of Chartered Accountants of Spain, as chair of the technical advisory committee.



Experience: She has extensive experience and a long track record in auditing, control and finance, having served as CFO, head of investment, head of internal audit and corporate governance, and board member at various financial companies and enterprises operating within the real estate, consumer and telecoms sectors, and at organisations such as Corporación Empresarial ONCE, gaining ample executive experience in finance and auditing. She has also accumulated a wealth of experience in corporate governance at multinational and listed companies, in relation to auditing, strategy and control; and in telecommunications, having previously sat on the board of JAZZTEL and the BANCO EUROPEO DE FINANZAS (100% Unicaja).



OTHER POSITIONS HELD CURRENTLY:

Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
Merlin Properties Socimi, S.A.	External independent director (and member of the audit committee and chair of the appointments and remuneration committee)	No	Yes
Grupo Bimbo	External independent director (and member of the audit committee and chair of the evaluation and nomination committee)	No	Yes
Orange España	External independent director (and member of the audit committee)	No	Yes



Positions at Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

Other remunerated activities: -

Fernando José Francés Pons

Director category: External independent

Nationality: Spanish



Education: He graduated from the Complutense University of Madrid with a degree in mathematics (major in statistics and operational research).



Experience: He has worked in consulting for his entire professional career, in the area of technology and telecommunications, first at IBM (two years) and then at Arthur Andersen and now Accenture (10 years). In 1996 he founded DMR Consulting in Madrid, formerly EVERIS (now NTT DATA), a company of which, in addition to being the founder, he was chair until March 2018. NTT Data is a consulting services company that grew from 1 to 23,000 employees during the 22 years that he was the chair. It has a presence throughout Spain and offices in Europe, Latin America and the United States.

 **OTHER POSITIONS HELD CURRENTLY:**
Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
Zityhub, S.L.	Non-executive chair	No	No

 **Positions at Bankinter Group companies:**

Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

Cristina García-Peri Álvarez

Director category: External independent

Nationality: Spanish

 **Education:** Degree in economics and finance, sum cum laude, from ICADE, and an MBA from Harvard Business School, as well as an Executive Masters' in digital capabilities and innovation (DIBEX) from the Instituto ISDI business school.

 **Experience:** She has experience in areas such as the financial and real estate sector, as well as extensive professional experience in investment banking and capital markets and derivatives. This experience was gained mainly at international level in the positions she held at J.P. MORGAN), BANK OF AMERICA MERRILL LYNCH, BRETEMA CAPITAL, GOLDMAN SACHS and MCKINSEY & CO. In addition to experience in the financial sector, she also has experience in the real estate sector from her work at Azora Group since 2011. She also has experience in defining and implementing environmental, social and governance (ESG) policies and goals as member of Azora Group's INREV - ESG and sustainability committees. Currently, she is managing partner of Business Development at Azora Capital S.L. She is chair of the board in Spain of the NGo Plan Internacional and has been director of EVO Banco, subsidiary of Bankinter, until July 2022.

 **OTHER POSITIONS HELD CURRENTLY:**
Positions at non-Bankinter Group companies:

Company name	Position	Does the director have executive duties?	Remunerated?
Azora Capital S.L.	Managing partner	Yes	Yes
Plan International Spain	Chair	No	No

 Positions at Bankinter Group companies:

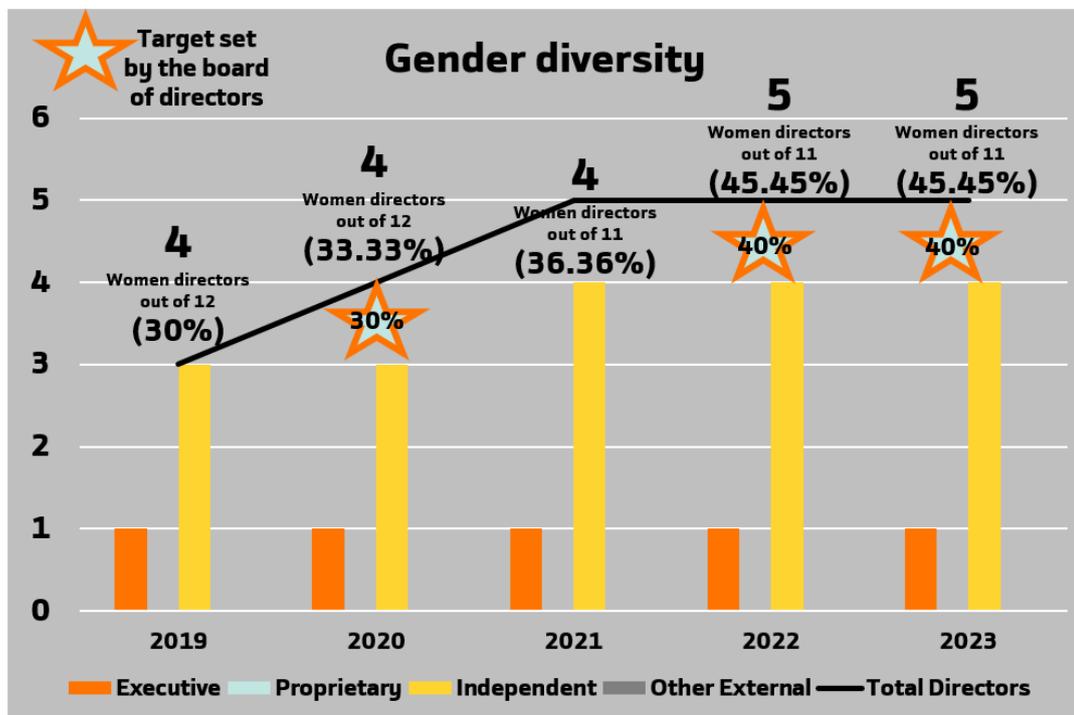
Company name	Position	Does the director have executive duties?	Remunerated?
-	-	-	-

Regarding **positions held on other administrative bodies**, as a credit institution, Bankinter is subject to the restrictions set down in Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions, regarding the number of boards on which its directors may sit in addition to the seat on Bankinter's board. Bankinter has included this restriction in its rules and regulations of the board of directors. Bankinter also has a policy on incompatibilities and restrictions for Bankinter senior officers and other executives approved by the board of directors on 20 December 2017. This policy is available on the corporate website.



Gender diversity

The following chart shows changes in the number of female directors sitting on Bankinter's board of directors, as well as the category of each.



The above chart shows Bankinter's firm commitment to equal opportunities for men and women, for every time it appoints members to its board of directors, it engages in an objective selection process that is free from any determining conditions or biases that might hinder the access of women to positions as independent directors on the board, evaluating in each case the nominee's independence and professional merits, capacity and experience in the industry. The selection process seeks to ensure that women are always included among the nominees.

The sustainability and appointments committee imposes no constraints or biases on the selection of female directors when entrusting external advisers with selection processes and actively encourages the inclusion of women in the lists of candidates to be evaluated. Bankinter prioritises the professional merits and experience of its directors, without placing any constraints in relation to the gender of the nominees.



Gender diversity targets:

Bankinter was also a pioneer in guaranteeing both female directors and female senior managers. After the director appointments approved at the 2015 Annual General Meeting, Bankinter achieved the target representation of female directors of 30% of the total number of directors, which was set for 2020. This percentage has increased over the past few days.

Following the modification of recommendation 15 of the Good Governance Code of Listed Companies in 2020 and, taking into account the size of the Bankinter's board of directors, the Sustainability and Appointments Committee proposed a new target to the board of directors for female representation on the board before the end of 2022. This target was met soon after the appointment of Mr. Cristina García-Peri by the 2021 Annual General Meeting, bringing the board up to 45.5% women.

Additionally, the latest appointment proposals made by the board, which will materialise once the Annual General Meeting is held on 21 March 2024, once again raise the percentage of women on the board of directors to 64% (7), well above the targets set by both Bankinter and national and international recommendations and best practices.

At that time, Bankinter will become the only company in the IBEX35, which will have two women in the bank's main administration and management roles (non-executive chairwoman of the board of directors and chief executive officer). The rest of the directors (5) are independent external directors.

With regard to promoting the presence of women in senior management, the composition of which is detailed below, the management committee has a majority of women and the chief executive officer who chairs it is a women.

Number of female members on Bankinter's various board committees at the end of the last four years:

	Number of female directors				% of directors for each committee			
	FY 2023	FY 2022	FY 2021	FY 2020	FY 2023	FY 2022	FY 2021	FY 2020
Executive Committee	1	1	1	1	20	20	20	16.66
Audit committee	1	1	1	1	25	25	25	20
Risk and compliance committee	3	3	3	1	75	75	75	25
Remuneration committee	1	1	1	1	25	25	25	16.66
Sustainability and appointments committee	2	2	2	1	50	50	50	16.66

4.4.- Director selection

On 18 November 2015, Bankinter's board of directors approved the **director selection and succession policy** (available on the corporate website) according to which director selection and succession processes must adhere to the following general principles:

- i. These processes shall comply with applicable legislation and regulations at all times and will be carried out in accordance with the board composition set out in the corporate by-laws and the rules and regulations of the board of directors.
- ii. They shall seek to ensure that there is a clear majority of independent directors on the board of directors and that the number of executive directors remains at a bare minimum, in view of the Group's complexity.
- iii. They shall ensure that there is an adequate balance between proprietary and independent directors, reflecting, wherever possible, the proportion between share capital carrying voting rights represented by proprietary directors and the rest of the share capital.
- iv. They shall ensure diversity of nationality, gender and experience, such that decision-making is enriched and a variety of standpoints are heard when debating matters that fall within the board's remit.
- v. They shall guarantee the stability of the board of directors in line with the measures taken by the Company to ensure, wherever possible, that the appointment or re-election of directors does not affect more than one fourth of total board members in any given year.

In addition, the board of directors, by virtue of the EBA and ESMA joint guidelines on suitability assessments, approved a policy on the suitability assessment of directors and key function holders at Bankinter., its current text having been approved on 25 July 2018.

To ensure that the director selection and succession policy is suitably aligned with the suitability assessment policy mentioned in the preceding paragraph, on the same date the board approved a

number of amendments to the selection and succession policy. Moreover, provision was made for the succession of the chairs of the board committees. As a result, Bankinter has a procedure in place that guarantees an agile, transparent and robust succession process.

Director selection processes invariably start with an analysis of the Company's needs and those of the companies belonging to its group. The board of directors carries out such analysis while relying on the advice of the sustainability and appointments committee.

As a general rule, candidates for directorships at the Company must also be persons of integrity, good name and suitability and have recognised expertise, skill, experience, qualifications, training, availability and commitment to their duties.

The sustainability and appointments committee assesses the balance of competencies, expertise, diversity and experience necessary for the board of directors. For this purpose, it defines the functions and aptitudes required of candidates for each vacancy, and assesses the time and dedication needed for them to properly discharge their duties.

- **Practical illustration of the director selection process in 2023-2024:**

In 2023, no director selection processes were carried out. Now, in the month of January 2024, the Bank has begun the process of selecting a new independent director to replace Mr Fernando Francés Pons, whose mandate expires in this year, as the director has expressed his desire not to be re-elected for personal reasons.

The selection process was initiated at the proposal of the sustainability and appointments committee, which deemed it appropriate to enlist the help of an external firm. This process ended with the proposal for the appointment of Teresa Paz-Ares Rodríguez, as an independent external director by the Annual General Meeting to be held on 21 March 2024, after her suitability was assessed by the committee.

4.5.- Appointment, re-election and removal of directors

The appointment of directors rests with the Annual General Meeting or, where appropriate, with the board of directors by co-option if a position falls vacant, in accordance with the Spanish Companies Act, the corporate by-laws and the rules and regulations of the board of directors.

Proposals submitted by the board of directors to the general meeting regarding the appointment, ratification or re-election of directors shall require a preliminary recommendation or report from the sustainability and appointments committee (depending on the category of director concerned), following a formal and transparent procedure. If the board decides not to follow the recommendation of the sustainability and appointments committee, it must give the specific reasons in its decision.

Because Bankinter is a financial institution, the appointment of new board members requires, among other matters, compliance with the procedures and requirements set forth in Act 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions, and in Royal Decree 84/2015 of 13 February, enacting that Act.

Article 9 of the rules and regulations of the board of directors states that persons caught by any the prohibitions prescribed by applicable law or regulations or any by-law incompatibility may not be appointed director, nor may individuals who, either directly or through a related party, encounter a conflict of interest with the Company or another Bankinter Group company, or those proposed by one or more shareholders to have encountered any such conflict of interest. Also not eligible to be appointed directors are persons, whether national or foreign, and whether operating in the financial sector or some other industry, competitors of the Company or another Bankinter Group company, nor their directors, senior managers or any persons nominated by any of them in their capacity as shareholders.

The board may not co-opt or submit proposals or motions to the general meeting regarding the appointment, re-election or ratification of directors where the person in question is caught by any of the circumstances just described and must oppose other proposals or motions that run contrary to article 9 of those regulations.

The rules and regulations of the board of directors, in accordance with the corporate by-laws, regulates the causes and the procedure of removal and dismissal of directors. In accordance with article 11, directors shall step down from office when they have completed the mandate for which they were appointed, whereupon they may be re-elected, and when so decided by shareholders convened at a general meeting or by the board of directors by virtue of the powers conferred upon them under applicable law or the corporate by-laws.

Directors must offer to resign and, if the board of directors sees fit, tender that resignation in the following cases:

- if, having been appointed on the nomination of a significant shareholder, the significant shareholder informs the Company, at any time, that it does not intend to re-nominate the director once their term of office comes to an end;
- when they are caught by any of the ineligibilities, prohibitions or legal grounds for dismissal or resignation, as set out in the rules and regulations of the board of directors, including conflicts of interest and the duty not to engage in competing activities;
- where the director acts or omits to act in a way that falls short of the duty of care expected of their position, or where they seriously breach their duties as director, including the duty of secrecy and all other responsibilities and obligations set out in the rules and regulations of the board of directors;
- where their continuance on the board could harm the Company's interests, whether directly or through the director's links with related persons;

- where, for any other reason, they cause serious damage or loss to the Company's interests, its good name or reputation, or to the board's own operation or, in general, where they lose the board's trust for any justifiable reason; and
- where any other circumstance exists warranting a director's resignation in accordance with applicable recommendations on good corporate governance in force in Spain and embraced by the Company, insofar as the board considers that circumstance to exist.

The director shall be obliged to inform the board of directors of any such situation and of any criminal proceedings in which they may be under investigation, including the ongoing status of such proceedings.

In all of the cases described above, the board of directors may propose a director's dismissal after previously ordering the director to step down. Resolutions of the board of directors confirming that valid reasons exist warranting the director's resignation, as provided for in the regulations, and accepting the resignation tendered by the director, shall be carried out on a recommendation from the sustainability and appointments committee, unless the matter is urgent and there is no time to wait for such a report.

As established in the rules and regulations of the sustainability and appointments committee, when, due to resignation or for any other reason, a director leaves their position before the end of their mandate, the sustainability and appointments committee will ensure that the Company acts in a transparent manner with respect to the process and its causes. Accordingly, when the departure is due to the director's resignation, the committee shall evaluate the information in the outgoing directors' letter to the board, where appropriate. If it deems that insufficient information is available, it shall liaise with the director to ascertain the reasons for their resignation. The committee shall also ensure that the board of directors publishes the reasons and circumstances of the departing director in an appropriate manner, including an explanation of the reasons for the departure in the annual corporate governance report.

Since 2015, Bankinter has also had a policy for the prevention of conflicts of interest for senior officers, which sets down the general operating principles for the prevention of such conflicts. This policy was most recently updated in November 2016.

Lastly, neither the corporate by-laws nor the rules and regulations of the board of directors set any age limit for directors.

4.6.- Director succession plans

Pursuant to the policy on director selection and succession approved by the board, as described above, director succession processes must be suitably planned and coordinated so as to ensure business continuity without any delay or setback.

The Sustainability and Appointments Committee is responsible for analysing the existence and updating of the succession planning for the chair and the succession plans for the company's chief executive officer and, where appropriate, formulating proposals to the board of directors so that said succession takes place in a planned and coordinated manner, protecting business continuity without any setbacks.

This policy also states that the rules and regulations of the board of directors shall govern the occasional absence of the chair of the board or the chief executive officer.

The director selection and succession policy contains a provisional succession system for the chairs of the various board committees, while the corporate governance policy governs the succession of Bankinter's senior officers.

The policy has the following to say on the succession of the chair and the chief executive officer:

Director selection and succession policy

(25 July 2018)

General principles for selection and succession

- Assessment** by the board **of the Company's and Group's needs.**
- Selection of candidates** by the sustainability and appointments committee **with the assistance, if deemed necessary, of external advisors.**
- Suitability assessment.**
- Succession must be **planned and coordinated**, protecting the continuity of the business without any setbacks.

Succession of the chairman

- The vice chairman** of the board of directors shall **call a board meeting, to decide upon which of its members will take up the position:**
 - **If there is an internal candidate:** there is an internal suitability assessment and one with the Supervisor.
 - **If there is no internal candidate:** selection of external candidates by the sustainability and appointments committee in accordance with the principles and general director selection process.
- The board will seek to ensure that it **has a sufficient number of qualified members** to discharge the duties of chairman.
- The board reviews the list **each year.**

Succession of the chief executive officer

- Every year, the chief executive officer **will submit a list of candidates** to hold the role of chief executive officer to the sustainability and appointments committee **for the short, medium and long term.**
- Nominations for director succession should **take into account candidates' special personal and professional skills, in addition to their ability to spearhead the devising and implementation of the entity's** strategy.
- After studying and assessing the succession plan, the **sustainability and appointments committee** submits it to **the board of directors for approval.**

- **Practical application of the succession process for the non-executive chair and the chief executive officer during the 2023-2024 financial year:**

On 14 December 2023, the non-executive Chair of Bankinter, Mr. Pedro Guerrero Guerrero, communicated his intention to cease as a director of Bankinter, effective 21 March 2024 (date of the Annual General Meeting). The notice given by Mr. Pedro Guerrero Guerrero meant it was necessary to fill the position of non-executive Chair of the board of directors as of 21 March 2024 and, therefore, to initiate the process for his replacement. The Sustainability and Appointments Committee initiated this process governed by the objective of preserving the principles and objectives established in the Succession Policy, aimed at guaranteeing that the succession is orderly and that business continuity is protected without any setbacks.

Thus, the committee identified and evaluated the internal candidate, the director Ms. Maria Dolores Dancausa Treviño, as the ideal person to occupy the position of non-executive Chair of the board of directors of Bankinter, replacing Mr. Pedro Guerrero Guerrero.

This means that Ms. Maria Dolores Dancausa Treviño, current CEO of Bankinter, and on the previously indicated date of 21 March 2024, will cease all her executive functions, moving to the category of "other external director", which in turn meant that the committee had to trigger the process for succession to the position of CEO of the Company. Taking into account the current succession plan, approved by the board of directors, the committee reported favourably on the suitability of Ms. Gloria Ortiz Portero to occupy the position of CEO of Bankinter, before her appointment, at the Annual General Meeting to be held on 21 March 2024, as the new executive director of the Bank.

In addition, the committee also evaluated the suitability of the composition of the Board resulting from the new additions, concluding that the board of directors will continue to collectively possess the knowledge, skills and experience necessary to be able to understand the activities of the Bank, including its main risks, and ensure the effective capacity of the board of directors to make decisions

independently and autonomously for the benefit of the Bank and it will maintain a balanced, diverse composition, with the presence of an adequate percentage of independent directors, as well as that its size of the board of directors is necessary to promote efficient performance, the participation of all directors and agile decision-making.

These proposals were published on 20 December 2023, as privileged information, after being adopted by the board of directors on that same date, in view of the favourable reports from the Sustainability and Appointments committee.

4.7.- Director training plans

On 25 October 2017, the board of directors approved the policy on the training of board members (available on the corporate website). This policy aims to define the required principles and planning for guaranteeing that board members’ qualifications are up to date through training, in order to ensure that they, at all times, have the abilities required to perform their supervisory duties objectively and with independent judgement. This policy considers two types of training:

Training on joining the board

When board members are selected, to ensure that the directors have sufficient and adequate specialised knowledge to discharge their duties efficiently, they are given a training programme to teach them about the organisational structure of entity and its group, focusing especially on the regulations that apply to their business activities and on any other matters considered necessary for new board members to know how to fully perform their duties while serving on the board. This training plan has been applied to new board members.

Continuous training

At the request of the board members themselves or following an analysis conducted by the bank, Bankinter will provide board members group and/or personalised training based on their individual skill set and role on the board, bearing in mind the diverse profiles, training, experience and expertise that Bankinter may require. Training was given to board members in 2023 on the following topics:

- For the sustainability and appointments committee, training related to the climate change strategy, as well as internal training on the status of regulatory initiatives that could impact their supervisory activity
- Training related to accounting and regulatory developments for the members of the audit committee.
- To all board members: i) the Cybersecurity Code of Good Practice, ii) the Sustainability Reporting Directive (CSRD), iii) the economic environment and the financial sector, iv) Prevention of money laundering and financing of terrorism.

The policy on the training of board members is available on Bankinter’s corporate website.

4.8.- Preparation and conduct of board meetings

In accordance with the rules and regulations of the board of directors, the board shall approve, before the start of each financial year, a calendar of meetings for the following year and a provisional agenda for each meeting. Directors are entitled to propose additional items to be added to the agenda. Calendars and agendas may be amended via a board resolution or a decision by the chair, who shall make the amendment known to the directors sufficiently in advance, unless the urgency of the amendment renders this impossible. The minimum number of meetings will be 10 per year (well above the legal requirement to hold meetings once a quarter).

- **Preparation of meetings:**

On 16 December 2015, Bankinter's board of directors approved a procedure for preparing meetings of the board of directors of Bankinter, S.A. and its committees, in compliance with the rules set out above, so as to ensure that board and committee members are fully aware of the business being discussed and resolutions being carried and have sufficient time ahead of the meeting to scrutinise each matter.

Announcements must be delivered sufficiently ahead of the date of meetings, except where this proves impossible due to the urgency of the matter or some other pressing need. The procedure for preparing for meetings of the board and board committees includes the following aspects, among others:

- Calendar of meetings for the board and board committees.
- The method and venue for holding meetings
- The notice and agenda for each meeting.
- The time and means for making the documentation available that will be the subject of analysis and debate at each meeting.
- Channels and media for communicating with the directors responsible for compliance with this procedure.

The Bank guarantees the right of directors to receive, before the board or committee meeting is held, the necessary information in order to adequately assess the corresponding transactions or decisions so that they may reasonably prepare for the meetings and actively take part in discussions.

In addition, as already indicated in other reports, Bankinter has set up a director's website, where directors can access all the information needed to grant a proxy and give instructions on how to vote.

The board secretary will be responsible for managing and providing the information and communication to board members, through online services, the director website and by

maintaining and regularly updating such information. They shall also ensure that the relevant deadlines are observed.

Furthermore, the procedure approved in 2015 provides that "*Directors may ask the chair, doing so through the secretary's office, for any documentation or information they may need in order to properly prepare for meetings, enjoying full access to the minutes, reports and presentations relating to meetings held.*"

During the external and internal assessment processes conducted in recent years, directors confirmed that they had received enough information sufficiently ahead of the meetings.

- **Operation of meetings:**

Conduct of the meetings

The board of directors, either directly or through its committees, fully exercised its supervisory function in 2023. It was kept well informed of the workings and activities of Bankinter Group's various business areas and of general matters that fall within the scope of its supervisory functions. Most notably, the board continued to monitor the Bank's strategic objectives, which have been periodically discussed under specific items on the respective agendas. Similarly, board members were informed of the conclusions of the various internal and external audit reports, among many other matters addressed, including risk management and control at Bankinter Group.

Voting on motions

Resolutions shall be carried in meetings by an absolute majority of directors in attendance (either in person or by proxy), unless the law or the by-laws call for a supermajority. The chair is authorised to hold secret ballots when the board of directors is to vote on directors' appointment, re-election or removal from office, or any other matters deemed of particular importance. Directors affected by a conflict of interest in connection with an order of business must abstain from discussing and voting on the related motion. If there is any doubt, the chair shall decide whether the proxies granted by the directors are valid. The chair shall also steer proceedings, give the floor, end discussions and ask the meeting to vote as, when and in any order he or she sees fit.

Granting of voting proxies on other board members

The rules and regulations of the board of directors of Bankinter provide that for each meeting, the directors may grant their right to vote, and issue instructions with regard to how that right to vote is to be exercised, to any other director by letter, fax, telegram, e-mail, or any other means considered to be valid by the rules and regulations. Proxies must be delivered to the chair or secretary of the board before the start of the meeting. One director may hold a number of proxies. As set out in the Spanish Companies Act, non-executive directors at listed companies may not give their proxy to another executive director; they may only give the proxy to a fellow non-executive director. Under all circumstances, failure to attend by directors should be limited to unavoidable cases only. In 2023, a director unable to attend delegated his vote with specific instructions, as discussed in the following section.

External advice The rules and regulations of the board of directors provide that in those matters that fall within the remit of the board and the board's committees, the directors may ask the Company to engage the services of auditors, consultants, advisers or other independent experts, in order to assist the board or the committee concerned in relation to such matters.

4.9.- Board committees

The board has set up an executive committee, with delegated powers. Furthermore, the board of directors has the following four committees with oversight, reporting and advisory powers and authority to issue proposals and recommendations:



As at the date of approval of this report, all the committees had the same composition as at 31 December 2023, as follows:

Board committees	Executive committee Audit committee Risk and compliance committee Remuneration committee Sustainability and appointments committee				
	Chairs	Members	Members	Members	Members
	Alfonso Botín-Sanz de Sautuola	M. Luisa Jordá	Teresa Martín-Retortillo	Álvaro Álvarez-Alonso	Cristina García-Peri
	M. Dolores Dancausa	Pedro Guerrero	Álvaro Álvarez-Alonso	Fernando Masaveu	Marcelino Botín-Sanz de Sautuola
	Pedro Guerrero	Álvaro Álvarez-Alonso	M. Luisa Jordá	Fernando Francés	Teresa Martín-Retortillo
	Fernando Masaveu	Fernando Francés	Cristina García-Peri	Teresa Martín-Retortillo	Álvaro Álvarez-Alonso
	Fernando Francés				

vice chairman	proprietary	Secretary (non-director)	Gloria Calvo	All oversight committees are governed by their own rules and regulations.
independent	Other external	Vice secretary (non-director)	Lucía Calvo	

The rules governing the committees are included in the rules and regulations of the board of directors, which are available on the company's website: www.bankinter.com/webcorporativa. In order to foster the independence of the board's supervisory committees and determine the principles of action and the basic rules of their composition, operation and powers, in accordance with best corporate governance

practices in the commercial field, the board of directors, on the recommendation of the audit committee, the risk and compliance committee, the remuneration committee and the sustainability and appointments committee, respectively, approved their respective rules and regulations, all of which are available on the Company's corporate website.

All board committees with non-executive oversight duties draw up an annual report on their activities, which is then made available to shareholders at the time the Annual General Meeting is announced on the Company's corporate website: www.bankinter.com/webcorporativa.

All committees report to the board, through the committee chair, on all work and activities performed, whether at specific meetings convened for that purpose or at the next board meeting, if the chair deems this necessary.

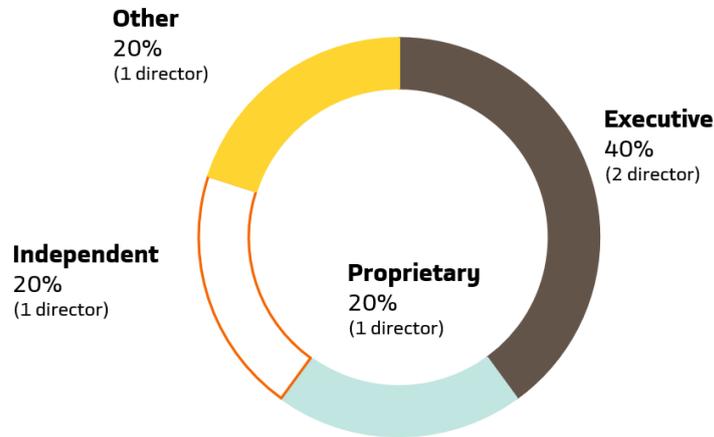
In those matters that fall within the remit of the board's committees, the committee members shall have access to all information and documents required for the discharge of their duties and may ask the Company to engage the services of auditors, consultants, advisers or other independent experts, as appropriate, in order to assist the committee concerned in relation to such matters. It is up to the competent committee to take the appropriate measure.



Executive committee:

The rules and regulations of the board of directors (article 38) provide that the executive committee shall consist of no fewer than three and no more than seven directors, at least two of whom must be non-executive directors and at least one of whom must be independent. They must all be appointed by the board of directors, on the recommendation of the sustainability and appointments committee.

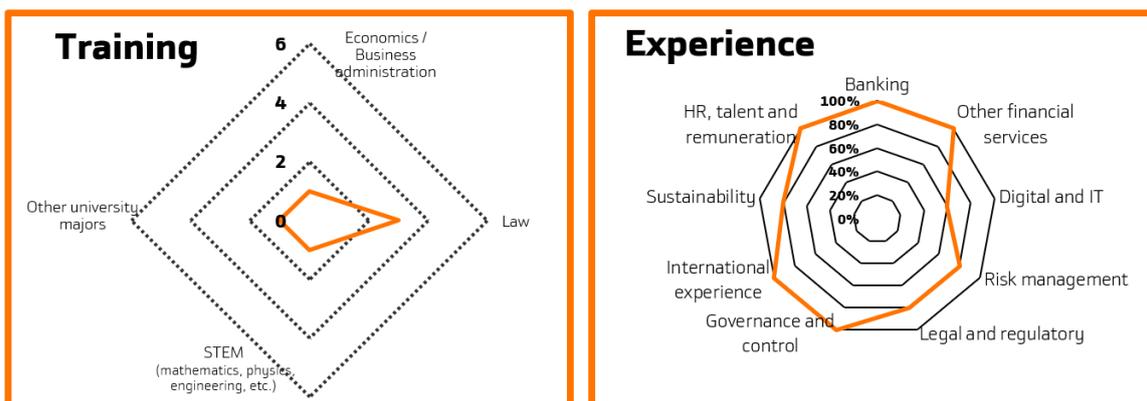
Breakdown by category of director Executive committee



This composition complies with recommendation 37 of the Good Governance Code following its amendment in June 2020: "at least two of whom are non-executive directors, and at least one of whom is independent", which was transposed into article 38 of the rules and regulations of the board of directors in December 2020.

Committee members shall be appointed for such term as the board of directors sees fit. The committee chairmen shall be named by the board of directors from among its ranks. The secretary of the board of directors shall act as secretary to board committees.

Knowledge and experience Executive committee



Delegation of powers and duties

Executive committee

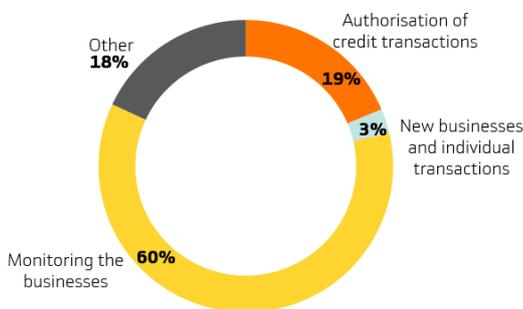
In general, all powers vested in the board of directors may expressly and permanently be delegated, save for those that may not be delegated by law, the corporate by-laws, or the rules and regulations of the board of directors.

Specifically, irrespective of the general delegation of powers, the executive committee is empowered to:

<p>Generally authorise credit transactions up to the limit set by the board of directors. Transactions involving directors, senior officers and other related transactions are excluded from this delegation of powers and must be approved by a fully-formed board of directors.</p>	<p>Authorise new businesses and individual transactions, provided they are non-strategic and do not carry any special tax risk for the Company or its group.</p>
<p>Monitor the different businesses, types of customers and their segmentation across the Bank, the Bank's sales networks and organisations, as well as the products and services offered, all in line with the strategic plan or business plan approved by the board of directors for such purpose.</p>	<p>Monitor any significant changes in the shareholding structure.</p>

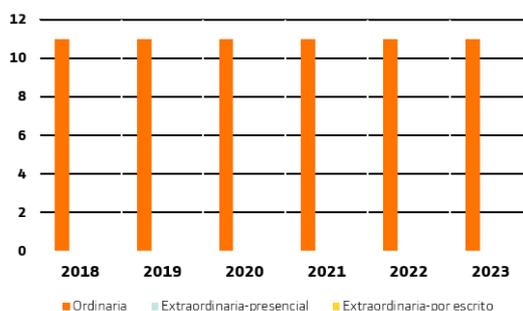
In 2023, the executive committee scrutinised and authorised credit transactions that were later submitted to the board of directors for approval, and monitored Bankinter's business units and other matters related to its delegated functions:

2023 duties:
Distribution of time spent



The executive committee shall meet as often as is convened by its chair. The executive committee may also be called at the request of three or more directors sitting on the committee. The executive committee shall report to the board of directors on the matters discussed and the decisions taken in its meetings, and shall make copies of the minutes of such meetings available to the board members.

Trend in number of annual meetings



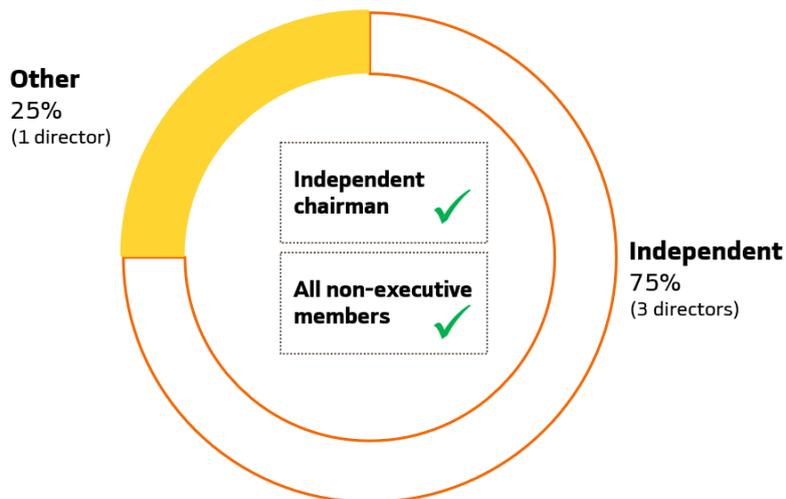
 **Audit committee**

The rules and regulations of the board of directors of Bankinter (article 39), available on the corporate website, describes the functions and rules of organisation and operation of the audit committee. As mentioned previously, the board of directors, at a meeting held on 23 January 2019, approved a specific set of regulations for the audit committee (available on the corporate website), on the recommendation to such effect from that same committee. These regulations are there to ensure the committee's independence and establish the principles of action and basic rules governing its composition, workings and remit. The current text of the regulation of the audit committee was approved by the board of directors on 18 May 2022.

The audit committee shall comprise a minimum of three and a maximum of seven non-executive directors appointed by the board of directors, on the recommendation of the sustainability and appointments committee, and feature a majority of independent directors. The committee chair shall be an independent director and must be replaced every four years at least. The committee chair may be re-elected once one year has passed from the time he or she stepped down. The current chair of the audit committee was appointed in April of 2020.

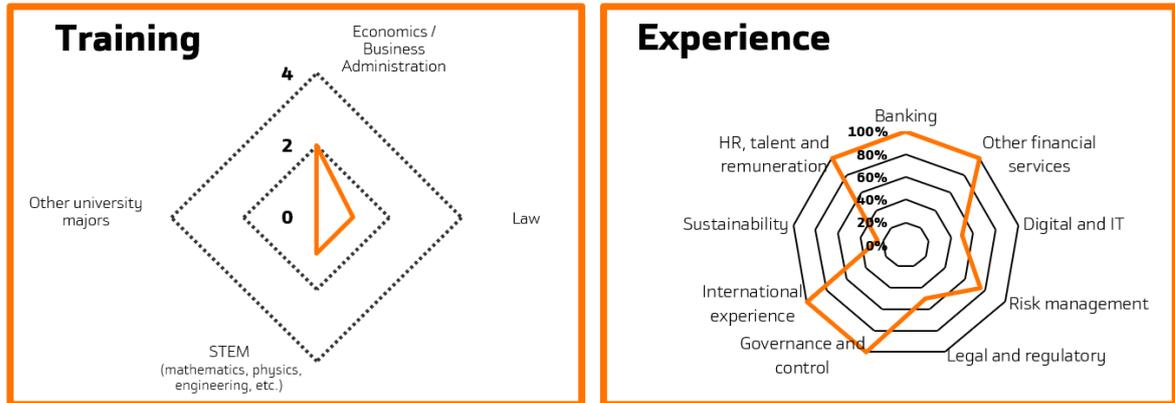
The secretary of the board of directors acts as secretary of the committee.

Breakdown by category of director Audit committee



All members of the audit committee have been appointed on the basis of their knowledge and/or experience in the field of accounting, auditing or risk management.

Knowledge and experience Audit committee

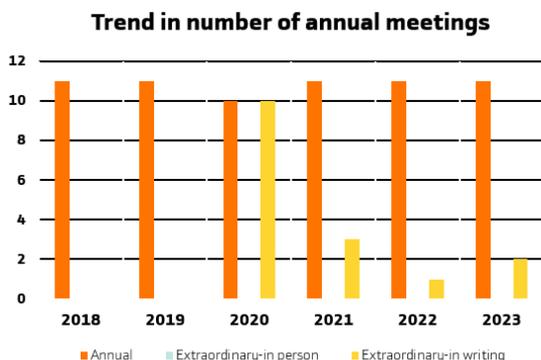
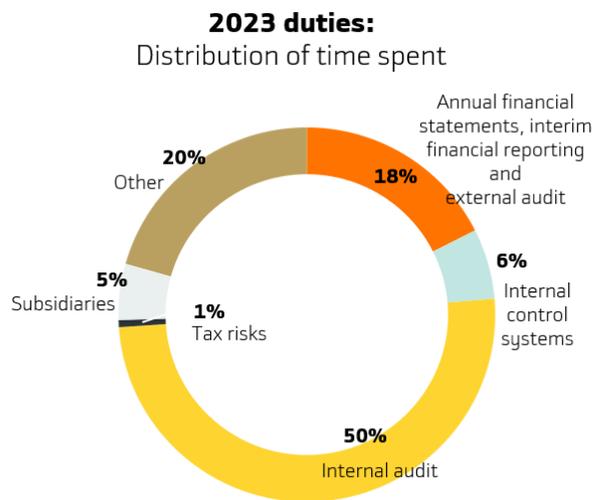


Tasks Audit committee

<p>To safeguard the reliability and transparency of the internal and external information on the Bank's results and activities.</p>	<p>To regularly improve and monitor internal control systems and procedures in relation to the risks inherent in the Bank's activities, while also reviewing the general risk map for the Bank and its group.</p>	<p>To carry out annual evaluations of the performance of the head of Internal Audit and take part in the process of determining his or her remuneration, the allocation of audit staff, and approval of its budget, including IT development.</p>	<p>Other duties outlined in the committee's rules and regulations</p>
<p>To safeguard the whistle-blowing channel established and regulated in the Code of Ethics of Bankinter Group approved by the board of directors at its meeting of 22 february of 2023.</p>	<p>Functions related to the duties of fidelity and loyalty of directors, for example, any, direct or indirect, conflict of interest. The is the competent body for resolving any issues arising in this regard and is likewise authorised to waive or release directors from their fiduciary duties and their obligation to comply with the rules of conduct in the securities market.</p>	<p>To approve an activity report or annual activity report that is made available to all shareholders upon announcing the Annual General Meeting, and which is included on the corporate website of Bankinter, S.A.</p>	

Among other activities, the audit committee: i) approved the set of activities to be performed by Internal Audit over the year; ii) verified the key management information, the business report and the corporate governance report; and iii) took note of the internal audit reports relating to the Bank’s main subsidiaries.

All of the committee’s activities are included in the annual activity report for 2023, approved by the board of directors on the recommendation of the committee, in February 2024, and will be posted on Bankinter’s corporate website when the Annual General Meeting is called. Broadly speaking, the committee shall meet as often as the board of directors.



The head of Internal Audit may attend committee meetings, as rapporteur and not in the capacity as member. The external auditors shall attend committee meetings whenever the chair sees fit and, in any event, they shall attend all meetings at which the report by said auditors on the financial statements and management report of the Bank and the Group is examined, as well as any other meetings called to verify half-yearly and quarterly results prior to their publication.

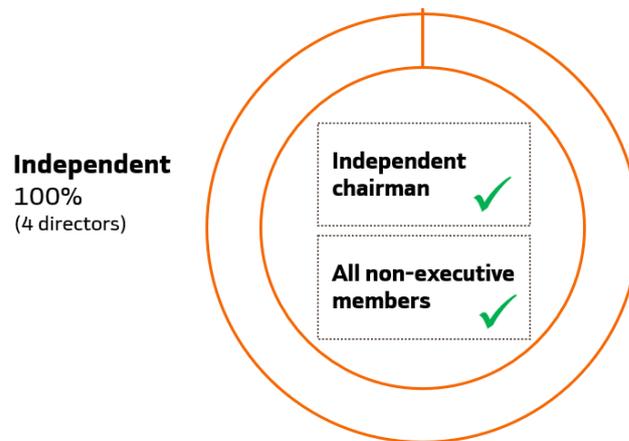
 **Risk and compliance committee**

The rules and regulations of the board of directors of Bankinter (article 40), available on the corporate website, describes the functions and organisational and operational rules of the risk and compliance committee. As mentioned previously, at a meeting on 17 November 2021 the board of directors approved a specific set of regulations for the risk and compliance committee (available on the corporate website), following a recommendation from that committee. These regulations are there to ensure the committee’s independence and establish the principles of action and basic rules governing its composition, workings and remit. The current text of the regulation of the risk and compliance committee was approved by the board of directors on 18 May 2022.

The risk and compliance committee shall comprise a minimum of three, and a maximum of seven, directors appointed by the board of directors on the recommendation of the sustainability and appointments committee. The secretary of the board of directors acts as secretary of the committee.

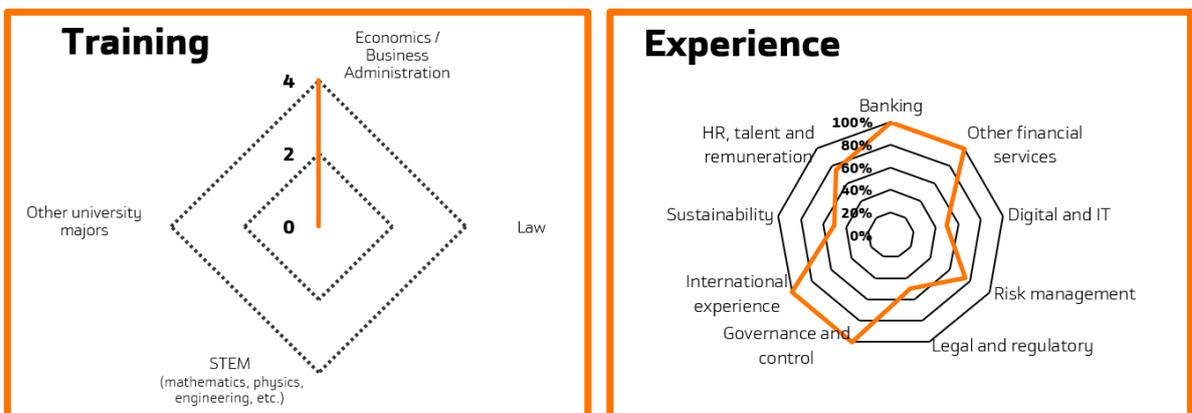
The secretary of the board of directors acts as secretary of the committee.

Breakdown by category of director Risk and compliance committee



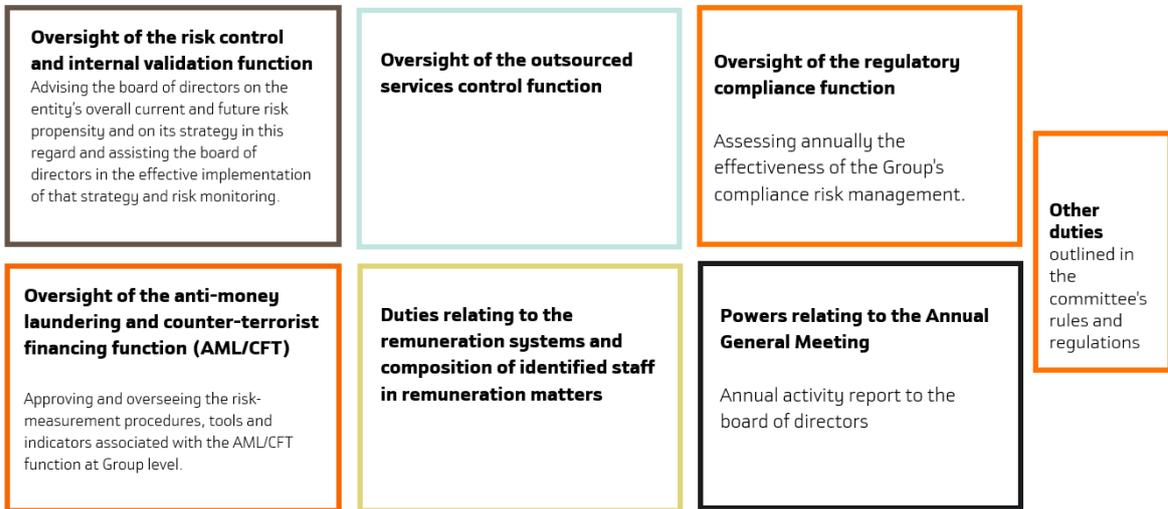
Members of the risk and compliance committee have been appointed taking into account their knowledge and/or experience in regulatory risks, control and compliance matters and in the matters entrusted to the committee. The committee members as a whole shall provide this knowledge and experience and relevant professional knowledge and experience in relation to the banking sector.

Knowledge and experience Risk and compliance committee

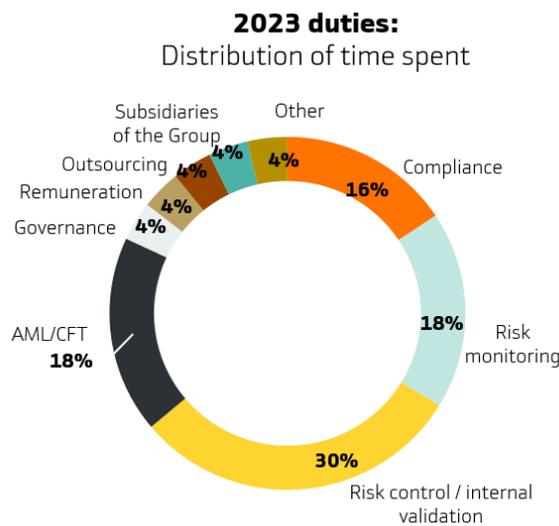


Tasks

Risk and compliance committee

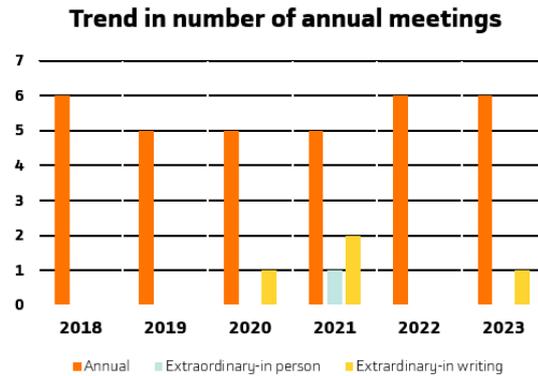


All of the committee's activities are included in the annual activity report for 2023, which the committee approved in January 2024, and which will be posted on Bankinter's corporate website when the annual general meeting is called.



The activities discussed in this report include: (i) the committee's involvement in modifying the risk management and control framework and the risk appetite framework, (ii) monitoring the various metrics included in the risk appetite framework, and (iii) knowing the activities and reports of the various units comprising the corporate control and compliance division (described in greater detail in section 6 of this report), among other activities.

For the proper performance of its duties, the risk and compliance committee shall meet as often as it is convened by the committee itself or by its chair. Any person belonging to the Company may attend committee meetings if the committee sees fit.



The committee’s meetings may be attended, as speakers but not as members, by the chief risk officer and by the head of control and compliance, who shall attend whenever they are invited by the committee. At the decision of the committee chair, other persons from the Risk division and/or any manager or employee of the Company may be asked to attend meetings.

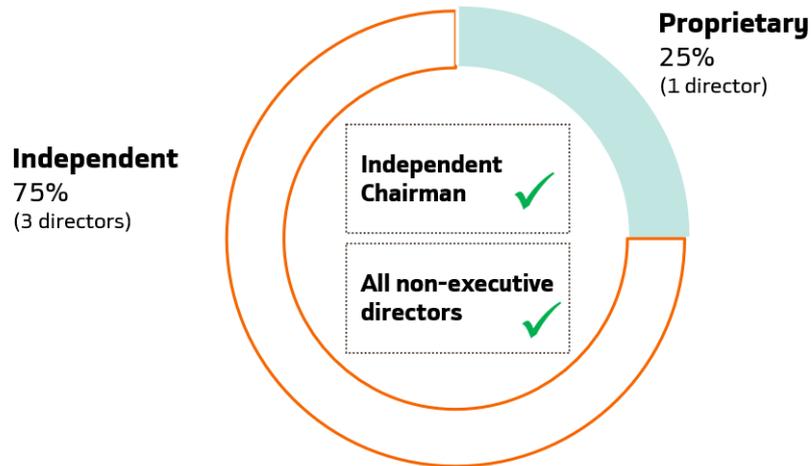
 **Remuneration committee**

The rules and regulations of the board of directors of Bankinter (article 41), available on the corporate website, describes the functions and organisational and operational rules of the remuneration committee. In addition, at a meeting on 22 June 2020 the board of directors approved a specific set of regulations for the remuneration committee (available on the corporate website) to ensure the committee's independence and establish the principles of action and basic rules governing its composition, workings and remit. The current text of the regulation of the remuneration committee was approved by the board of directors on 18 May 2022.

The remuneration committee shall comprise a minimum of three and a maximum of seven directors, to be appointed by the board of directors on the recommendation of the sustainability and appointments committee.

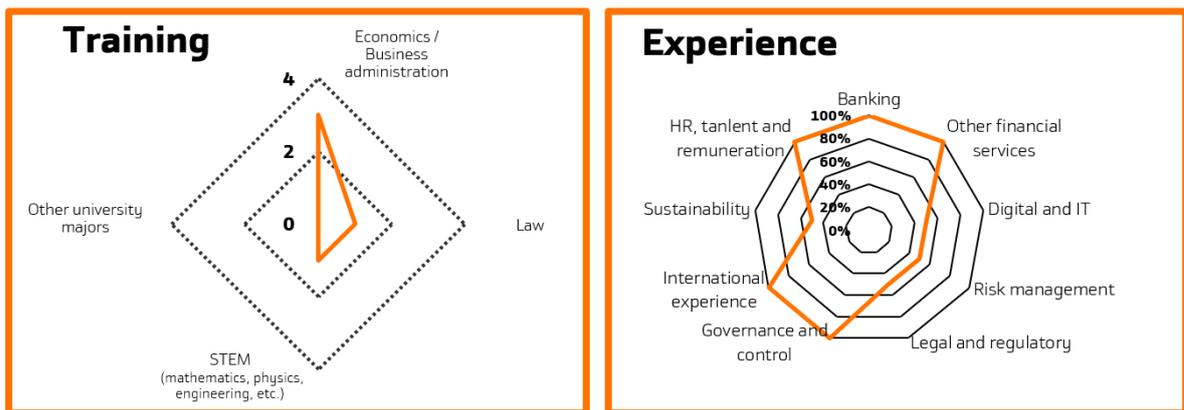
The secretary of the board of directors acts as secretary of the committee.

Breakdown by category of director Remuneration committee



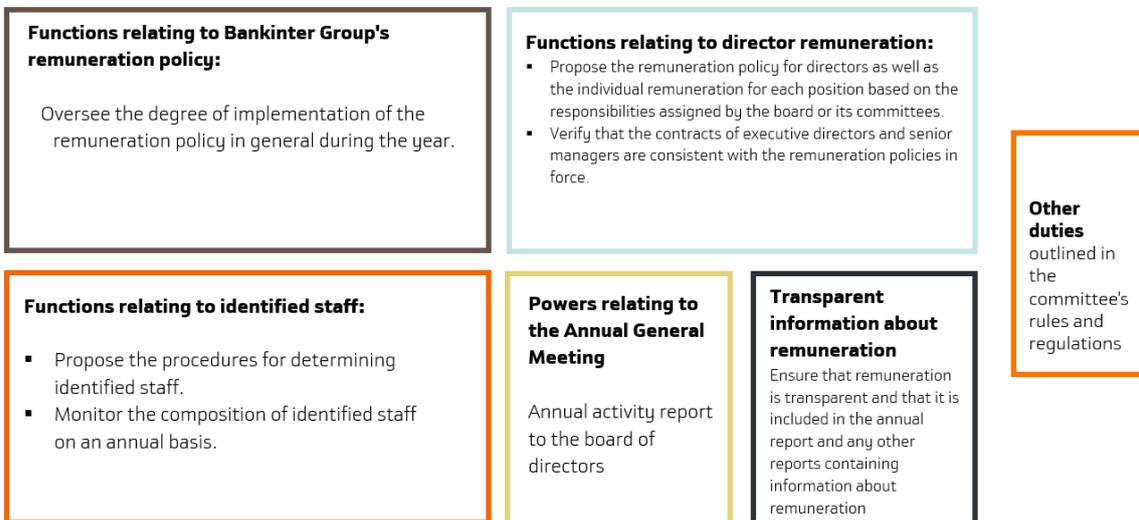
In appointing remuneration committee members, the board of directors took into account the candidates' knowledge and/or experience in corporate governance and the design of remuneration policies and plans for directors and senior managers, and in the committee's tasks in general. The committee members as a whole shall provide this knowledge and experience, as well as relevant professional knowledge and experience in relation to the banking sector.

Knowledge and experience Remuneration committee

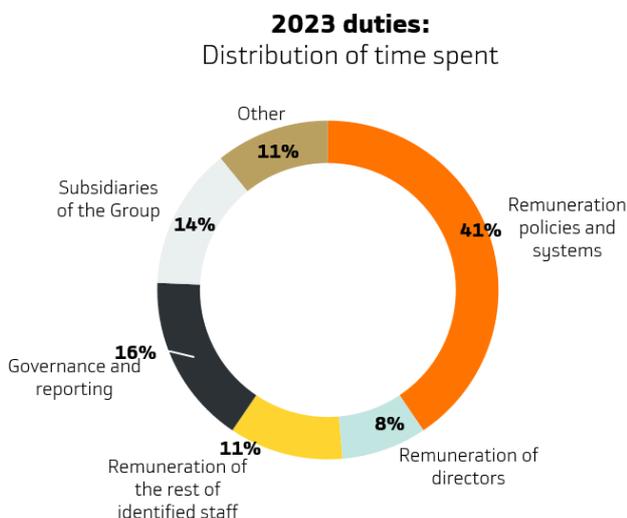


Tasks

Remuneration committee



All of the committee's activities are included in the annual activity report for financial year 2023, which the committee approved in February 2024, and which will be posted on Bankinter's corporate website when the annual general meeting is called.

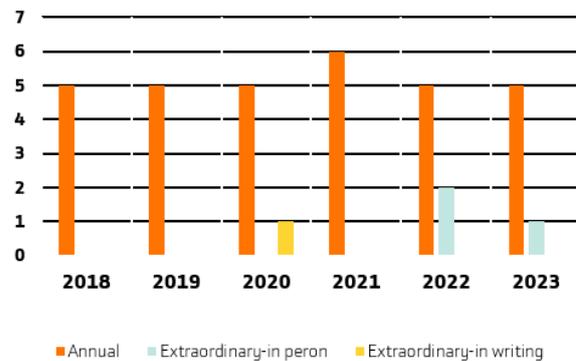


The activities discussed in this report include: advising the board on the remuneration of executive directors and senior management members (individuals), and advising on the approval of the remuneration of the board of directors for its oversight duties; submitting a proposed annual report on director remuneration; verifying information on the remuneration of directors and senior management members contained in corporate documents; monitoring compliance with the remuneration policy established by the Company and conducting regular reviews, among other matters.

In order to fully discharge its duties, the remuneration committee shall meet as often as it or its chair agrees to convene a meeting.

The committee may instruct its own chair to invite the Bank's chair, vice-chair (if executive), chief executive officer, or any other executive directors or senior officers to attend committee meetings called to discuss and vote on executive directors or senior officers other than those in attendance, or to discuss matters concerning the remuneration of senior officers. The committee must always consult the chair, vice chair (if executive) and the chief executive officer before carrying any resolution or drawing up any report in relation to those matters.

Trend in number of annual meetings



 **Sustainability and appointments committee**

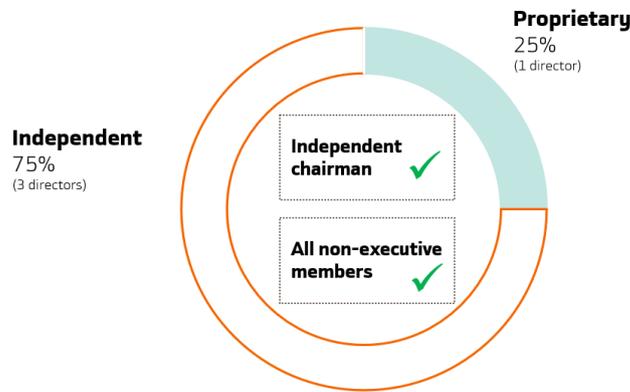
The rules and regulations of the board of directors of Bankinter (article 42), available on the corporate website, describes the functions and organisational and operational rules of the sustainability and appointments committee. As mentioned previously, at a meeting on 21 October 2020 the board of directors approved a specific set of rules and regulations for the sustainability and appointments committee, (available on the corporate website), following a recommendation from that committee. These regulations are there to ensure the committee's independence and establish the principles of action and basic rules governing its composition, workings and remit. The current text of the regulation of the sustainability and appointments committee was approved by the board of directors on 18 May 2022.

In 2022, the committee changed its name to the sustainability and appointments committee, although since 2021 the board reflected this committee's important role in supervising the Bank's objectives and strategy in the area of sustainability, which it historically played, while preserving the criterion of efficiency in the functioning of the board that characterises Bankinter. In the same vein, the committee's 2023 activity plan was reinforced in this area by including follow-up and assessment of the plans and objectives set by the board in the sustainability policy in all its meetings.

The sustainability and appointments committee shall comprise a minimum of three, and a maximum of seven, directors appointed by the board of directors on the committee's own recommendation.

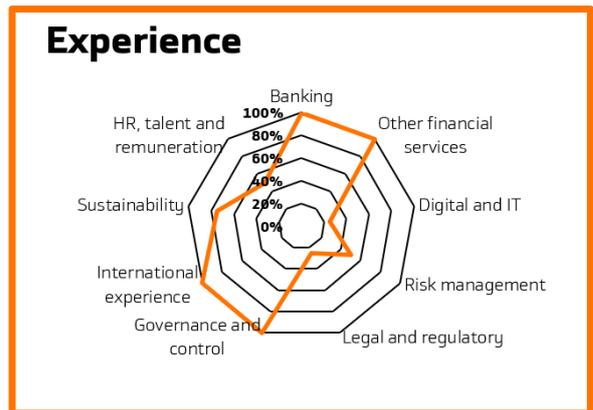
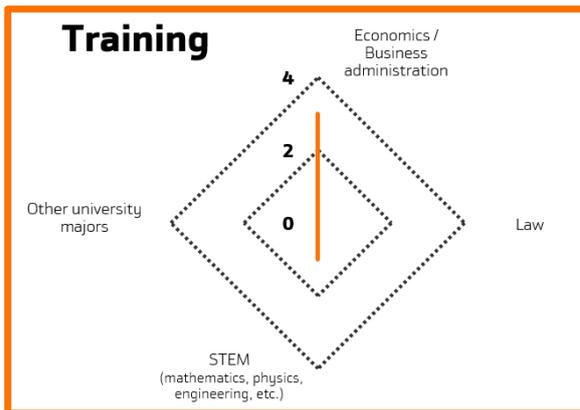
The secretary of the board of directors acts as secretary of the committee.

Breakdown by category of director Sustainability and appointments committee



Members of the sustainability and appointments committee shall be appointed by the board of directors taking into account their knowledge and/or experience in corporate governance and the design of corporate and sustainability policies, and in the selection of directors and senior managers, including the assessment of any suitability requirements in regulations applicable to the Company and in the committee's tasks in general. The committee members as a whole shall provide this knowledge and experience and relevant professional knowledge and experience in relation to the banking sector.

Knowledge and experience Sustainability and appointments committee

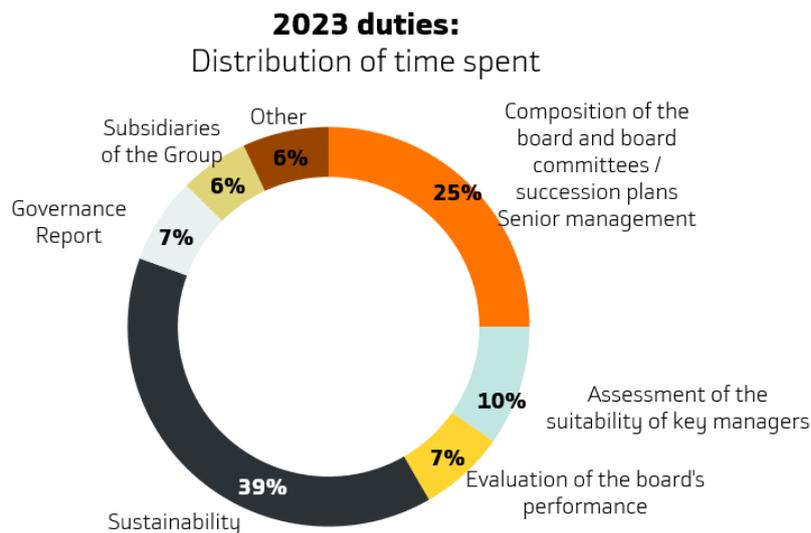


Tasks

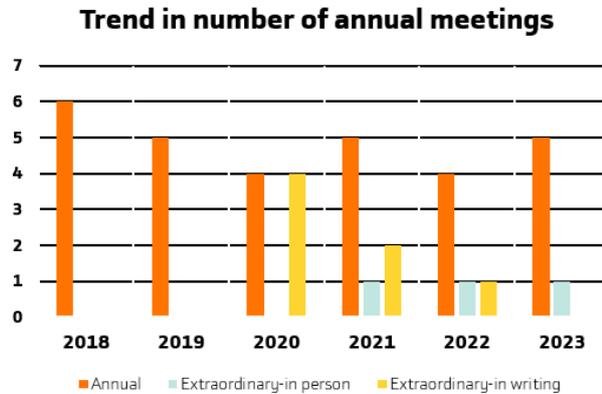
Sustainability and appointments committee

<p>Appointment, re-election and removal of members of the board and board committees</p> <ul style="list-style-type: none"> ▪ Appointment, re-election and removal of independent directors ▪ Proposed appointment, re-election and removal of directors who are not independent and board advisers. 	<p>Planning of the chairman's and chief executive officer's succession and appointing senior managers</p>	<p>Evaluation of the performance of the board of directors and its committees</p>	<p>Assessment of the suitability of members of the board and key function holders</p>
<p>Powers relating to the Annual General Meeting</p> <p>Annual activity report to the board of directors</p>	<p>Annual Corporate Governance Report</p>	<p>Remit relating to sustainability</p> <ul style="list-style-type: none"> ▪ Ensuring that the Company's non-financial and diversity information is made public ▪ Assessing all of the Company's social, environmental, political and reputational risks ▪ Ensuring engagement with stakeholders ▪ Reviewing the company's sustainability policy ▪ Monitoring the sustainability strategy and practices and evaluating their level of achievement 	<p>Reviewing Bankinter Group's corporate governance policy</p>
	<p>Annual non-financial information and diversity statement</p>		<p>Other duties outlined in the committee's rules and regulations</p>

All of the activities performed by the committee are discussed in the annual activity report for 2023, which the committee approved in January 2024, which will be posted on Bankinter's corporate website when the annual general meeting is called.



In order to perform its duties correctly, sustainability and appointments and committee shall meet as often as it is called via a resolution of the committee itself or the committee chair.



The committee may instruct its chair to invite the Bank's chair, vice-chair (if executive), chief executive officer or any other executives or senior managers to attend committee meetings. In general terms, the chair, vice chair (if executive) and/or chief executive officer shall be called to attend committee meetings addressing matters relating to executive directors or senior managers other than the attendees or relating to the appointment and remuneration of senior managers. The committee must always consult the chair, vice-chair (if executive) and the chief executive officer before carrying any resolution or drawing up any report in relation to those matters.

4.10.- Number of board and board committee meetings in 2023

	No. of meetings			TOTAL
	Ordinary	Extraordinary		
		In situ	In writing	
Board of Directors	11	1	1	13
Executive committee	11	0	0	11
Audit committee	11	0	2	13
Risk and compliance committee	6	0	1	7
Remuneration committee	5	1	0	6
Sustainability and appointments committee	5	1	0	6

4.11.- Director attendance

Directors are required to devote the necessary time and effort in order to effectively discharge their duties and must, in all cases, comply with legal limits on the maximum number of boards on which they may sit.

Directors shall ensure that absences from meetings of the board of directors and the committees on which they sit are limited to unavoidable cases only.

These requirements have been adequately met by all Board members of Bankinter, with an attendance rate of 100% at the meetings of the board of directors, and full commitment to the analysis and discussion of the issues that have been placed before them through the study of the supporting documentation and any other information required for such purpose.

If a director fails to attend a board or committee meeting, they shall forfeit their attendance allowance, even if they granted a proxy.

Details of attendance at board and board committee meetings held during 2023 overall and individually by director, are provided below:

- **Level of attendance in person and/or by proxy by collective body:**

Board of directors	
Number of board meetings	13
Number of board meetings held without the chair's presence	0
Number of meetings in which at least 80% of directors were present in person	13
Attendance in person as a % of total votes during the year	100
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	13
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	100

Board committees		
Committee	Attendance in person as a % of total votes during the year	Votes cast in person and by proxies with specific instructions, as a % of total votes during the year
Executive committee	90.91	100
Audit committee	100	100
Risk and compliance committee	100	100
Remuneration committee	100	100
Sustainability and appointments committee	95.83	100

- **Level of attendance in person in 2023.** In all cases where a director was unable to attend a meeting of the corresponding body, for justified reasons, he or she issued a proxy with voting instructions to another board member, usually the chair of the relevant body:

Director	Board of directors	Executive committee	Audit committee	Risk and compliance committee	Remuneration committee	Sustainability and appointments committee
MR. PEDRO GUERRERO GUERRERO	13/13	11/11	13/13	-	-	-
MR. ALFONSO BOTÍN-SANZ DE SAUTUOLA Y NAVEDA	13/13	11/11	-	-	-	-
MS. MARIA DOLORES DANCAUSA TREVIÑO	13/13	10/11	-	-	-	-
MR. FERNANDO MASAVEU HERRERO	13/13	7/11	-	-	6/6	-
MR. MARCELINO BOTIN-SANZ DE SAUTUOLA	13/13	-	-	-	-	5/6
MS. MARÍA TERESA PULIDO MENDOZA	13/13	-	-	-	-	-
MS. TERESA MARTÍN-RETORTILLO RUBIO	13/13	-	-	7/7	6/6	6/6
MR. ÁLVARO ÁLVAREZ-ALONSO PLAZA	13/13	-	13/13	7/7	6/6	6/6
MS. MARÍA LUISA JORDÁ CASTRO	13/13	-	13/13	7/7	-	-
MR. FERNANDO JOSÉ FRANCÉS PONS	13/13	11/11	13/13	-	6/6	-
MS. CRISTINA GARCÍA-PERÍ ÁLVAREZ	13/13	-	-	7/7	-	6/6

The attendance data –with very little in the way of proxy voting and always with specific voting instructions given– illustrate the full commitment shown by committee members in analysing and deliberating on the matters laid before the committees and scrutinising all supporting documentation and any other information the committee members may have requested.

4.12.- Audit

The board of directors, through its audit committee, controls the entire process of drawing up and presenting the annual and half-yearly financial statements of the Bank and its Group, along with quarterly financial information.

This ultimate purpose of this control process, coupled with permanent contact with the external auditor, is to avoid qualifications in the audit report.

As at 31 December 2023, the audit committee had the duties set out in section 4.10.

The firm PricewaterhouseCoopers, S.L. was appointed auditor of the separate and consolidated financial statements of Bankinter Group for 2023, following a resolution carried by shareholders at the annual general meeting held on 23 March 2023 (with an approval percentage of 99.629%).

PricewaterhouseCoopers has been the Group auditor without interruption since 2016 and is one of the leading audit firms in Spain and worldwide. The board of directors has decided that the auditor should be engaged for a further year, based, among other things, on the reasons outlined in the annual report of

the audit committee (posted on the Bank's corporate website), specifically in the section on the auditor's independence.

The following table shows the number of consecutive years over which PricewaterhouseCoopers has been auditing Bankinter's separate and/or consolidated financial statements, and the number of years audited by the current audit firm as a percentage of the total number of years that the financial statements have been audited.

	Separate	Consolidated
Number of consecutive years	8	8
	Separate	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	60.5	60.5

The external auditor attends meetings of the audit committee if the committee's chair considers it to be in the committee's interests and whenever a meeting is called to scrutinise the report drawn up by the external auditor on the annual and half-yearly financial statements, as well as meetings to verify quarterly results prior to their release. In practice, the external auditor attended all the meetings of the audit committee, both ordinary and extraordinary, in 2023.

To date, the separate and consolidated financial statements have always been submitted for approval at the Annual General Meeting with no qualifications in the audit report.

- **Independence of the auditor**

The board of directors, acting through its audit committee, oversees the objectivity of relations between the Company and its Group and the external auditors, ensuring their complete independence. Specifically, the board ensures that auditors are rotated, that conflicts of interest are prevented and that the information included in the annual report regarding the remuneration paid to auditors as such and for other reasons (if any) is transparent. The legal note to the financial statements indicates and breaks down all the remuneration received by the external auditor.

The remit of the audit committee includes the duty to uphold and safeguard the independence of the external auditor. This committee is responsible for proposing the appointment, re-election or replacement of external auditors to the board and determining their terms and the scope of their engagement, and overseeing activities that are unrelated to account auditing. In exercising these functions, the committee is responsible for:

- Approving the annual budget for the fees to be paid for the services of auditing the accounts

of both the Bank and the Group, setting the maximum percentage of the total invoice that may be represented by billing for non-audit services and, in accordance with generally accepted customs, applying a protocol adopted by the committee to ensure that the engagement of these services is always authorised by the committee beforehand and overseen at all times by the Group's internal audit function. The audit committee may delegate the authorisation of services other than audit services to the internal auditor, provided that the services do not exceed a certain quantitative threshold and the qualitative characteristics defined by the committee. If the internal auditor makes use of this delegation, they must subsequently report to the audit committee.

- Overseeing the rotation of the audit team in compliance with applicable legislation and regulations.

The audit committee, in compliance with the Spanish Companies Act, also issues an annual report containing an opinion on whether the independence of the external auditor has been compromised. This report is always released prior to the issuance of the audit report. This report, which is made available to shareholders in the corporate website from the call of the Meeting, shows whether the appropriate relationships and communication channels have been established with the auditors in order to receive, to its examination by the Commission; information on those issues that may put their independence at risk; information on the Services provided related to the audit of accounts and others additional to those of the audit and on any others related to the process of carrying out the audit, as well as the other communications provided for in the applicable legislation and in the technical auditing standards.

Meanwhile, the external auditors provide the board of directors with an annual report on the findings of the audit and on the status of risk management at the Bank and the Group, after a report from the audit committee.

This report details the remuneration received by PricewaterhouseCoopers for all audit and non-audit work carried out for Bankinter. The following table shows what this non-audit work represents out of the total amount invoiced by PricewaterhouseCoopers in 2023.

	Society	Group	Total
Amount invoiced for non-audit services (thousands of euros)	65.4	55.0	120.4
Amount invoiced for non-audit services/Amount for audit work (in %)	5.1%	4.7%	4.9%

In 2023, the external auditor completed 3 non-audit engagements for Bankinter Group, identified in the table below, with fees ranging from 15,000 to 65,400 euros and representing 4.9% of the total

amount invoiced by the external auditor. None of the work carried out by the external auditor other than that of the legal audit has been in the area of tax advice.

For all such work, the Bank ensured the non-existence of any threats to the independence of the external auditor that might have required safeguards and could have led to incompatibilities. In addition, all such work was previously authorised by the audit committee

- **Preliminary certification of the annual financial statements**

The separate and consolidated financial statements are certified by the chief executive officer and the chief financial officer before being submitted to the board of directors.

The individual and consolidated financial statements for 2023 were certified by:

Name	Position
María Dolores Dancausa Treviño	Chief executive officer
Jacobo Díaz García	Chief financial officer

4.13.- Evaluation of the board and board committees

, Article 5 of the rules and regulations of the board of directors requires the board to conduct an annual assessment of its own performance and the performance of its committees, its chair and its executive directors, and to draw up an action plan, based on a report from the sustainability and appointments committee to correct any shortcomings that may have been detected.

In accordance with internal regulations and best practices, the evaluation is carried out by an independent external expert every three years. Taking into account that the evaluation corresponding to the 2022 financial year was carried out by an external expert, the evaluation in the 2023 financial year was carried out internally, still taking into account the findings of previous years. This process began at the end of 2023, and the findings were submitted to the board of directors in the first session of 2024.

The evaluation of operation and performance was carried out on the following collective bodies and functions:

- Board of directors.
- Committees
- Non-executive Chair of the Board and executive Directors.
- Chairmen of the committees

The aspects reviewed in these evaluations were:

- a) the quality and efficiency of the workings and operation of the board of directors and its committees;
- b) the size, composition and diversity of the board and board committees;
- c) The performance of the non-executive Chair of the board of directors and the executive directors;
- d) the performance and contribution made by each director, paying close attention to the chairmen of the board committees;
- e) meeting frequency and length;
- f) the content of the agenda and the adequacy of the time devoted to dealing with the various items, according to their importance (taking into account specific examples or cases);
- g) the quality of the information received;
- h) the scope and extent of debates, avoiding groupthink; and
- i) Whether the decision-making process within the board is dominated or strongly influenced by one member or a small group of members;

After evaluating the results, as happened in the evaluation process carried out by the independent external party last year, the general perception of the members of board of directors continues to be that Bankinter has a cohesive board of directors, which functions adequately, and is made up of counselors of high professional and human value. Bankinter's board of directors is made up of members with a high level of professionalism and efficiency, and a great feeling of belonging, under the leadership of its chair.

In terms of overall assessment of performance, all bodies evaluated obtained very positive scores from all the directors.

The non-executive chair, executive vice chair and chief executive officer obtained very positive scores from all the directors, which took into account their significant professional and human worth, as well as their knowledge about Bankinter Group and executive management, as in previous years.

Generally, the operation of the Board and the committees were scored favourably by the directors, both in terms of operation and in the functions they perform including reporting to the board of directors, in the case of the committees.

The information distributed to support meetings was also identified as an essential tool for the management of said information, as well as for time management during meetings. Taking into account the excellent progress made in recent years, it was deemed important to maintain and consolidate the excellent standard achieved not only with respect to the timing and quality of the information provided but also with respect to the dynamics of the meetings, in terms of their duration and time distribution for each of the different items on the agenda.

In view of the previous results, no operational deficiencies requiring action plans were identified.

4.14.- Remuneration received by the board of directors as a whole

	Thousands of euros
Remuneration accruing in favour of the board of directors in the financial year	5,422
Funds accumulated by current directors for long-term savings systems with vested economic rights	0
Funds accumulated by current directors for long-term savings systems with non-vested economic rights	3,990
Funds accumulated for former directors from long-term savings schemes	0

5.- SENIOR MANAGEMENT

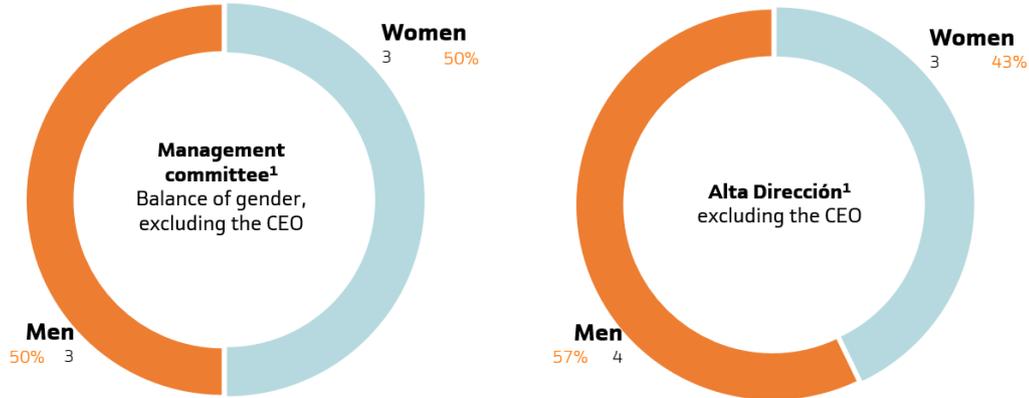
5.1.- Composition of senior management (excluding executive directors)

Composition of senior management as at the date of approval of this report, unchanged from 31 December 2023:

<p>Fernando Moreno Marcos Head of corporate banking</p> <p>Degree in law and business studies from ICADE PMD, Harvard Business School. Senior Executive Program - ESADE. He joined Bankinter in 1988. e has held various different positions of responsibility and is currently head of corporate banking, although previously he was head of commercial retail banking. He has seats on the boards of several Bankinter subsidiaries and investees. He is a member of the management committee.</p>	<p>Gloria Ortiz Portero Head of commercial retail banking</p> <p>Degree in economics and business studies from ICADE and a BA Honours from Middlesex University (London). She has been a member of the Bankinter management committee since 2013 and is also a member of the administrative bodies of various Bankinter subsidiaries and investees. Between September 2008 and 2016 she was head of finance and investor relations at Bankinter and in 2016 she was appointed head of digital banking. She held this position until February 2021, when she was appointed head of commercial retail banking, a position she still holds. She is a member of the management committee.</p>	<p>Iñigo Guerra Azcona Head of investment banking</p> <p>Degree in law and business studies from ICADE. State lawyer on leave of absence. PLD, Harvard Business School. He joined Bankinter in 2004 as head of legal counsel and taxation until 2009 when he was appointed general secretary. He remained in that post until 2013, when he was appointed to his current position as head of investment banking, reporting directly to the vice chairman of the board of directors. He was recently reported director of Bankinter Investment, S.A.U. and natural person representative of Bankinter Investment, S.A.U., the legal person chairman of Bankinter Investment SGEIC.</p>	<p>Gloria Calvo Díaz General secretary and secretary of the board</p> <p>State lawyer on leave of absence. Before joining Bankinter, his career included various positions in the public sector. As government attorney, she had a range of duties, including agent of the Kingdom of Spain before the Court of Justice of the European Union from 1990 to 1996. She was also director at Spain's Telecommunications Market Commission, the watchdog for regulating and overseeing the deregulation of the telecommunications industry in Spain, from 1996 to 2011. Between 2012 and 2015, she was head of the state attorney's office for the Spanish Secretary of State for the Economy and the Ministry of Economy and Competitiveness, providing advice on all matters within that department's remit. She was the state attorney's office represent on the FROB's steering committee. She joined Bankinter in 2015 in her current position. She is a member of the management committee.</p>
<p>Julio G. Zapatero Gaviria Chief risk officer / CRO</p> <p>Degree in economics and business studies from Universidad Complutense de Madrid. Degree from HARVARD BUSINESS SCHOOL (PMD Program for Management Development). He is currently general manager of risks / chief risk officer of Bankinter, having held this position since 2013. He previously held several positions of responsibility in Bankinter Group: head of non-performing loans, head of the individual retail banking division, head of private banking, general director of Bankinter Consumer Finance, EFC, and others. He has seats on the boards of several Bankinter subsidiaries. He is a member of the management committee.</p>	<p>Jacobo Díaz García Chief financial officer</p> <p>Degree in economics and business studies from Pontificia de Comillas University. Executive MBA from Booth Business School, University of Chicago. Senior Executive Program at Columbia University. After spending 10 years in consulting, he joined Bankinter in 2000 as head of finance and investor relations and later held the position of head of corporate development, products and markets. He is currently the chief financial officer, following his appointment in December 2018. He is member the administrative bodies of various Bankinter subsidiaries. He is a member of the management committee.</p>	<p>Marta Centeno Robles Head of digital banking</p> <p>Degree in economics from the University of Valladolid. She has spent a large part of her professional career at Bankinter, where she has held positions of responsibility such as head of individuals' risk, head of control, recoveries and real estate assets, head of territorial organisation (Madrid east), head of private banking and head of corporate development, products and markets. She is currently head of digital banking, having held this position since February 2021, and has seats on the boards of several Bankinter subsidiaries. She is a member of the management committee.</p>	

In addition, the head of Internal Audit, as at the date of this report, was Francisco Martínez García.

Gender diversity Senior management



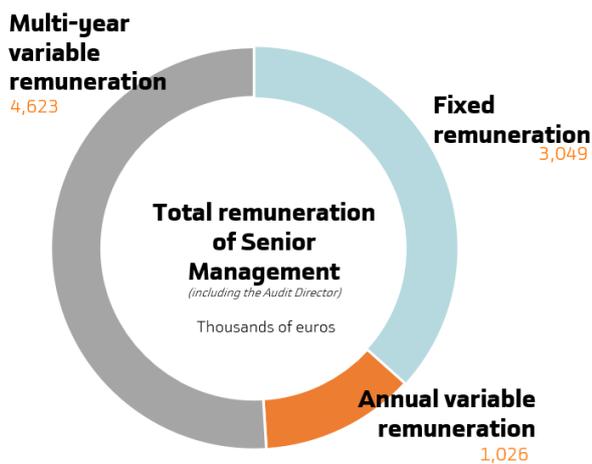
¹ Does not include the head of Internal Audit

The majority of management committee members are women (57%) including the chief executive officer, who is the chair of this committee.

5.2.- Global remuneration for Senior Management

The remuneration accrued (consolidated or not) by senior management in 2023, including remuneration received by the head of Internal Audit, is as detailed below by item and in aggregate:

Total remuneration accrued unconsolidated Senior management



Aggregate amount of accrued remuneration
vested and unvested in 2023 : 8,698

This amount does not include contributions made in 2023 to the long-term savings scheme for senior managers and the head of Internal Audit (with non-vested economic rights), which amounted to 932 thousand euros.

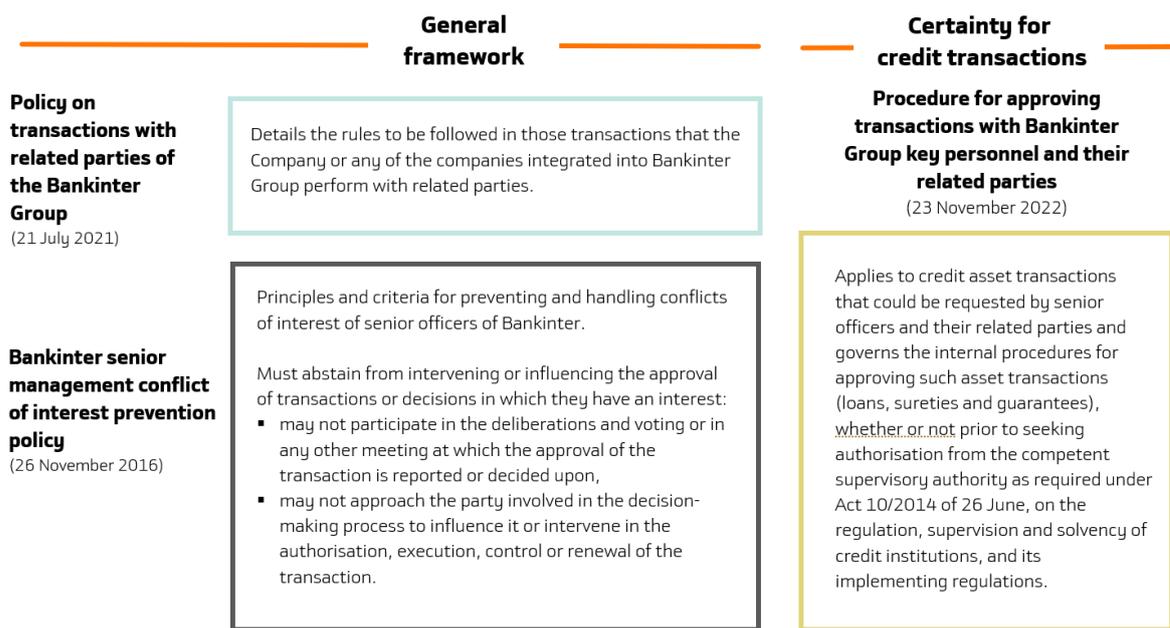
At Bankinter, there are no agreements between the company and its senior management or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal or termination of employment without cause following a takeover bid or any other type of transaction. Therefore, no information on this matter is reported to the board or the general meeting.

6.- RELATED PARTY AND INTRAGROUP TRANSACTIONS

This section of this report contains disclosures on the related party transactions referred to in recommendation 6(c) of the CNMV's Good Governance Code of Listed Companies. It also includes mechanisms to detect, determine and resolve potential conflicts of interest between the company and/or the group and its directors, managers, significant shareholders and other related parties established by the Bank. Therefore, details of any related-party transactions of the company and its group are included in Bankinter's Annual Report from the audit committee on Related-Party Transactions, published on its website when the Annual General Meeting is called, which is to be held on 21 March 2024.

The rules and regulations of the board of directors ascribe the following duties to the board of directors, among others: *"To approve the Company's related party transactions with directors, significant shareholders, or shareholders represented on the board, or with any persons related to them, within the terms laid down in the rules and regulations of the board and based on the recommendation of the audit committee."*

Internal rules and regulations applicable in Bankinter to related party transactions are described below:



Law 5/2021 of 12 April, amending the consolidated text of the Spanish Companies Act (texto refundido de la Ley de Sociedades de Capital) approved by Royal Decree 1/2010 of 2 July and other financial regulations, with regards to the encouragement of long-term shareholder engagement in listed companies, introduced amendments to the Law 5/2021 of 12 April, which amends the consolidated text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies, introduced amendments to the regulation of related party transactions applicable to listed companies whereby, while maintaining a general regime of related party transactions applicable to all Spanish companies, articulated around the conflict of interest and the waiver regime, it introduced amendments to the special features to be consider in related party transactions of listed companies. The current wording of the Policy on related party transactions of Bankinter Group was approved by the board of directors at a meeting held on 21 July 2021, along with the procedure for approving transactions with key personnel of Bankinter Group and their related parties, subsequently amended at the board meeting held on 23 November 2022.

Regarding the applicable regime, the Policy on transactions with related parties of Bankinter Group stipulates that related party transactions shall be subject to the **authorisation of the board of directors following a favourable report from the audit committee**, except in cases where approval must be given by the general meeting.

However, board authorisation shall not be required and may be **delegated to the audit committee or another internal body, in**, accordance with the nature of the transaction, for transactions that simultaneously meet the following three requirements:

<p>Those that are carried out under standard form contracts that are applied generally to a high number of customers.</p>	<p>Those that are carried out at prices or rates generally set by the supplier of the related product or service</p>	<p>Those that are of little relevance:</p> <p>▼ 0.5% of Bankinter's turnover</p>
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Such related party transactions are reported to the audit committee on a half-yearly basis. The audit committee verified that Bankinter's related party transactions carried out in the year met these requirements for not requiring authorisation by the board of directors.

The audit committee is the body overseeing the list of all of the company's and directors' related parties, and putting in place appropriate procedures to keep it up to date, make it known and enforced by the operating units so that related party transactions are duly and promptly identified.

Significant transactions carried out with shareholders who hold 10% or more of the voting rights or are represented on the company's board of directors, and with subsidiaries of these shareholders:

In 2023, no shareholder holding more than 10% of the voting rights or represented on Bankinter's board of directors carried out transactions with Bankinter or its Group companies that were significant due to their amount or due to their subject matter.

Material transactions with company directors or managers, including transactions with entities over which the director or manager has control or joint control, and of other related parties classified as such in accordance with International Accounting Standards as adopted by the EU:

On May 26 2023, an operation was published on the Spanish Companies Act website, at the time of its formalization, in accordance with the provisions of article 529 unvicies of the Spanish Companies Act, for exceeding its amount 2.5% of the turnover of the last consolidated annual financial statements of the Bankinter Group. The transaction consisted of a loan to Masaveu Internacional, S.L., a company linked to the director Fernando Masaveu Herrero, and wholly owned by Bankinter's significant shareholder, Corporación Masaveu, S.A., for a maximum amount of 70 million euros, maturing at no more than 60 months. A link to the communication ([is attached](#)).

In 2023, Bankinter, or Group companies, did not carry out any more transactions that were significant either due to their amount or due to their subject matter, than as previously mentioned, with directors or managers or companies over which they have control or joint control.

The breakdown of related party balances is provided clearly and specifically in Appendix I of the 2023 financial statements. In addition, the note to the financial statements on director remuneration provides additional disclosures on the characteristics of transactions with board members and managers entailing loans, credits and/or guarantees provided during the ordinary course of the Entity's business, all of which were carried out at arm's length.

Significant intragroup transactions.

Bankinter Group is composed of companies that are wholly owned by Bankinter, directly or indirectly. Therefore, these transactions are scoped out of Chapter VII bis of Title XIV of the Spanish Companies Act in accordance with sections 2.a or 3 of article 529 s, and the required disclosures in this section, since they are considered related party transaction.

Of all the companies belonging to Bankinter Group, only its parent, Bankinter, S.A., is a listed company. For that reason, no information is provided on mechanisms for resolving potential conflicts of interest between Group companies.

7.- RISK MANAGEMENT AND CONTROL SYSTEMS

7.1.- Risk management and control system of the company

The board of directors of Bankinter, S.A. has the power, which it cannot delegate, to establish a risk management and control framework that considers all the various types of financial and non-financial risks that could arise, including credit, market, liquidity, concentration, operational, information management, IT, reputational, legal and conduct risks, risk of compliance with anti-money laundering and terrorist financing and other financial crimes, and environmental, social and governance (ESG) and strategic risks; and regular monitoring of the internal information and control systems.

Accordingly, the board of directors established the general risk management and control **framework**, identifying the main risks of the Company and other companies in the Group whose parent company, as defined by law, is Bankinter. It also set up the appropriate internal control and information systems to regularly monitor these systems so that the material risks in all of the Group's activities and businesses are adequately identified, measured, managed, controlled and reported, all with a **view** to:



The board of directors also approves and reviews the **risk appetite framework**, which defines the risk appetite and tolerance that the Entity is willing to assume in its activities, on a regular basis. The framework contains a set of key metrics for the levels of the various risks, quality and frequency of the results, liquidity and solvency. Risk tolerance levels that Bankinter Group is willing to assume are defined for each metric. The appropriateness of the metrics and levels is reviewed by the risk and compliance committee every quarter, where it is the committee that makes the proposal to the board for update and approval if applicable. These metrics are also monitored on a quarterly basis. Where a negative trend is seen in any of them, action plans are drawn up and monitored until the metrics return to appropriate levels.

Bankinter Group also conducts business in accordance with the principles and values established by the board of directors. These include respect and compliance with applicable rules and regulations and effective and prudent management of all the risks that could arise in the course of the Group's business.

These principles and values form part of Bankinter Group's corporate culture, as reflected in the entity's code of conduct, and must be adhered to, promoted and exercised by all companies and people that form part of the Group.

The board of directors is tasked with establishing and overseeing a sound and comprehensive internal control system for the institution and all the activities it carries out. In accordance with guidelines issued by supervisors and best practices in the market, Bankinter Group's internal control system is based on establishing the so-called **"three lines of defence"**:

Three lines of defence



For **tax risks**, and in accordance with article 529 ter 1b) of Royal Legislative Decree 1/2010 of 2 July, which enacted the consolidated text of the Spanish Companies Act, the tax risk control policy is listed as a non-delegable power vested in the company's board of directors. It is implemented through the Office of the General Secretary of Bankinter and through its Tax Advisory Department (which is assigned to and subordinate to the Office of the General Secretary).

Consequently, the board of directors of Bankinter, S.A. approved the Bankinter tax risk control policy on 18 September 2019. This policy establishes the principles and internal rules of governance for Bankinter's tax function, setting out:

- Obligations and responsibilities within the organisation.
- Description of the measures in place to mitigate tax risks.
- The ex-ante preventive controls and ex-post controls entailing the identification, measurement, analysis, monitoring and reporting of tax risks in line with Bankinter's Risk Management and Control Policy, Risk Appetite Framework (RAF) and Risk Map.

In the **fight against corruption and bribery**, Bankinter is acutely aware of the serious effects of corruption on economic activity and on society as a whole, and of the important role that entities in the financial sector play in preventing and combating such conduct. For this reason, as an associate and signatory of the United Nations Global Compact, and following national and international best practices, at its meeting on 22 April 2020, Bankinter's board of directors approved Bankinter Group's Anti-Corruption Policy, on the recommendation of the audit committee. This policy is published on the corporate website. This policy complements the Group's Code of Professional Ethics and Crime Prevention and is an essential tool for disseminating the Group's uncompromising attitude to corruption

and establishing the rules and principles of action needed to prevent and act against any conduct involving corruption in the Group's corporate activity.

7.2.- Bodies within the company responsible for preparing and executing the risk management and control system

As explained in the preceding section, the board of directors, in accordance with the rules and regulations of the board of directors, is responsible for approving the risk management and control framework and regularly monitoring the internal information and risk control systems.

To perform these functions, the board of directors is supported by the following board committees:

Executive committee

The executive committee is vested with all of the functions of the board, except those that cannot be delegated by law or under the corporate by-laws or the rules and regulations of the board of directors. It takes decisions for managing and monitoring all manner of risks and, in turn, delegates such powers to the following internal committees:

- Credit risk: in the executive risk committee, which in turn sets the limits on the delegation of powers to lower-ranking internal bodies, within the limits set by the board of directors. The Executive Risk Committee is the reference committee on matters related to risk, except for those that are assigned to other specialised Committees, such as the Assets and Liabilities Committee (hereinafter "ALCO").
- Business risk: which is monitored in the weekly meetings that the chief executive officer holds with members of senior management (which, according to the corporate governance policy, is called the "management committee").
- Structural (liquidity, interest rate, currency) and Market Risks, to the Asset and Liability committee (ALCO).

Risk and compliance committee

The risk and compliance committee is an advisory body that oversees the Entity's risks and provides advice on risks to the board of directors. The risk and compliance committee is also entrusted with monitoring the risk appetite framework.

This committee is also entrusted with the supervision of the Corporate Control and Compliance Function, as a second line of defence. The organisation and scope of action of this function is described in section 7.2.1. It reports monthly on its activity. The risk and compliance committee's remit also includes overseeing compliance with legal requirements, supervising the effectiveness of internal control and risk management systems, supervising compliance with the Group's code of conduct in securities markets, anti-money laundering manuals and procedures and, in general, the Bank's

governance and compliance rules, and making any necessary proposals for their improvement, as well as reviewing fulfilment of any actions and measures arising from reports or actions by government supervisory and control authorities.

The committee is also responsible for oversight of the outsourced services control function, including overseeing compliance with prevailing regulations and provisions regarding outsourcing of services and scrutinising all reports and proposals it receives regularly from the Corporate Control and Compliance division, and remaining abreast of significant irregularities, breaches or risks observed during the outsourced services control actions.

Audit committee

The audit committee, among other responsibilities, supervises relations with external auditors and their work and reports, and supervises the operation of internal audit and control services.

It is also in charge of managing Internal Audit activity. Its annual plan focuses closely on work related to the measurement, monitoring and management of risks.

The crime prevention and professional ethics committee reports annually and directly to the audit committee on any suspicious behaviour identified and any sanctions and penalties imposed.

Remuneration committee

The committee's remit includes annually reviewing the remuneration policy of directors and employees whose activities have a material impact on the Company's risk profile (in general all members of identified staff for remuneration purposes) to ensure that it is aligned with the Bank's short-, medium- and long-term situation and strategy and with market conditions and to assess whether it contributes to the creation of long-term value and to adequate control and risk management.

Sustainability and appointments committee

This committee manages and controls sustainability risks, including environmental and climate risk. It is responsible for identifying, evaluating and managing the environmental risk associated with the bank's activity, which is why it has rigorous and responsible decision-making processes in place regarding ESG issues. Some of the functions performed by the committee in this area include:

- It reviews the Bankinter Group's Sustainability Policy and Corporate Governance Policy, both of which are approved by the board of directors, ensuring that they are always focused on the creation of value.
- It monitors the sustainability strategy and practices, best practices in this regard and evaluation of their degree of compliance.

- It assesses all of the Company's social, environmental, political and reputational risks, irrespective of the powers granted to the risk and compliance committee or other board committees.

7.2.1 Organisation of the risk management and control function:

The risk management and control function is distributed among different divisions of the Bank, such as Risk, Corporate Control and Compliance, Finance, Capital Markets, Digital Banking and Internal Audit.

Bankinter's organisational structure is based on the principle of independence and separation of functions between the various units that identify, assume and manage risks and those that monitor and track risks.

- The **Risk division** is supervised by the risk officer. The appointment or replacement of the chief risk officer falls to the board's risk and compliance committee, at the proposal of the chair, vice chair (if executive), or the CEO of the bank.

The risk division covers the main risks (credit and counterparty, market, liquidity, structural, operational and model), with global and corporate-wide responsibilities and support to Bankinter Group's governance bodies.

It is charged with defining the methods and executing the risk controls as the first line of defence. It is also geared towards executing and integrating the risk function into the management of the various businesses of Bankinter and Bankinter Group. It comprises the following first-line divisions and units:

- **Credit Risk:** tasked with defining the risk policies associated with each of the segments. It is delegated powers to authorise customer transactions. It is responsible for the entire risk process, from approval, which requires IT support capable of achieving the highest level of efficiency, to monitoring and recovering.
- **Global Risk Management:** responsible for developing, improving, controlling, implementing and regularly monitoring statistical and risk parameter models for the various credit portfolios, and enhancing the integration of these models into management. The internal models perform a key role in the approval process, in the calculation of regulatory and internal capital, in the collective estimation of provisions, in recovery processes and in the establishment of risk-adjusted return measures (RARORAC). It also oversees, together with the global risk division, the development of the specific policies and procedures that must be included in the framework for the risk management model. Its responsibilities also include supervisor relations, official announcements and regulatory reporting in regard to models, and monitoring the sequentially implementation plan for IRB models in the Bank.

- **Risk Assessment and Processes:** mainly defining and supporting risk reporting, and designing, implementing, maintaining and evolving credit risk approval and monitoring systems.
- **Global Risk:** coordinates the various Risk areas in activities and projects related to methodologies, policies, procedures and regulations, seeking to adopt industry best practices in the measurement and management of risks and, in particular, management of the Group's global risk profile.
- **The Risk Assessment unit acts on cross-cutting factors, coordinating and promoting:** a sectoral approach to credit portfolio management, analysing sectors and promoting the most appropriate information and management processes at all times. As managing climate- and environment-related factors and their translation into different risks.
- **Market risk and institutional control:** Reporting to the managing director of risk/chief risk officer, its function is to control and monitor structural risks (liquidity, interest rate and foreign currency) and market risks arising from the Entity's institutional and trading operations.
- As discussed later, the Balance Sheet Management area and the Trading department, which report to the Treasury and Capital Markets division, are responsible, respectively, for managing **liquidity, interest and foreign currency risks (structural risks) and market risk**. Market risk has the independent duty of measuring, monitoring and controlling changes in interest rate, liquidity, foreign currency, market and counterparty risks in 'institutional' positions; i.e., those taken by the assets and liabilities committee (ALCO) and by the treasury department for trading purposes.
- **Operational Risk:** responsible for promoting and coordinating the procedures and tools for the identification, measurement, control and reporting of operational risks, providing the organisation with a uniform vision of operational risk. First-line management of operational risk is delegated to the Group's various subsidiaries, support areas and business units. Operational risk is occasionally managed by specialised or centralised departments when necessary given the circumstances (complexity, size, cross-sector corporate processes, etc.).
- **Non-Performing Loans and Incidents:** responsible for running and managing the process for recovering outstanding loans in early stages of default, by implementing and promoting internal and external tools and actions for this purpose with a view to minimising new non-performing loans. It is also tasked with running and managing the control, monitoring and non-amicable recovery of loans in accordance with prevailing legislation by creating and developing automatic systems that make management more efficient and by implementing more efficient and effective mechanisms and processes to improve the recovery of past-due transactions. It is also responsible for all matters related to the policy, analysis, approval and monitoring of refinancing and forbearance arrangements.
- **Real Estate Assets:** Sets and updates the price of foreclosed assets and determines their purpose. Its duties include the adapting the assets technically and legally and monitoring them to prevent impairment. Its purpose and main responsibility is to proactively seek out

buyers by publicising and managing assets in accordance with principles of transparency, sufficient publicity, competition and effectiveness in order to obtain the highest price possible. It prioritises quick selling.

- **Technical division:** This area is in charge of procedural aspects of the risk appetite framework and the corporate risk map, and oversight of the second line of defence of certain specific risks (e.g. reputational risk). It also oversees the second lines of Group subsidiaries.

- **Other risks managed indirectly by the managing director of risk**

- **Structural risks**

The board of directors sets the strategy and management policy for structural risks (interest rate, liquidity and foreign currency risks) and market risks and designates various bodies to manage, monitor and control them. It also sets the risks profile to be assumed by Bankinter, setting maximum limits that it delegates to such bodies, as defined in the risk management and control framework.

The board of directors confers powers upon the assets and liabilities committee (ALCO), authorising it to continuously monitor decisions regarding structural balance sheet risks (interest and liquidity risk), stock market risk and the exchange rates of the Bank's institutional positions, while also establishing financing policies. It reviews and approves the relevant limits for the management of all such risks every year and delegates such powers to the ALCO.

The ALCO is directly responsible for managing global interest rate and liquidity risks, as well as stock market risk and the risk of institutional change or changes in the Company financing policies, although Capital Markets (within its powers or following the instructions of the chair, chief executive officer or chief financial officer and head of capital markets) may pursue action to protect the Bank from its risks or take advantage of any trading opportunities that may arise.

The board of directors reviews the framework and policies for managing these risks and the appropriateness of changing the operating limits established therein as often as it deems necessary and at least once a year.

The Balance Sheet Management Unit or, on its instructions, Treasury and Capital Markets, implements the decisions taken by the ALCO in relation to the Bank's institutional positions. Depending on the circumstances, it may act immediately to protect the Bank from potential adverse market movements, subsequently reporting its actions to the ALCO.

- **Climate and environmental risks:**

Climate change has certain unique features that require a completely different approach than other risks. Firstly, it has the potential to cause dramatic and irreversible damage. These impact would materialise over the long run, far beyond periods typically considered in financial planning exercises. Secondly, it is surrounded by uncertainty because its effect is so long term and, more importantly, considering the scope of the mitigation measures to be implemented; i.e. they must be global. Thirdly, there are no comparable historical references.

The corporate climate rating has been implemented in the risk approval process since October 2021. This aim is focus dialogue with customers, especially those exposed to higher levels of risk. By doing this, we incorporate climate and environmental factors into our risk decision-making and attempt to identify opportunities to assist these customers financially in their transition.

Definition of a new business strategy because of climate change risk. Bankinter is working on the four pillars that should underpin this:

- Sustainability policy. Bankinter has been managing sustainability for over a decade now through successive policies and strategic plans. It is also a signatory of the leading international sustainability and climate change initiatives and commitments; e.g. the United Nations Global Compact, the Equator Principles, UNEPFI (the United Nations Environment Programme Financial Initiative), the Responsible Banking Principles and the Net Zero Banking Alliance.
- Scenario analysis. Using the baseline scenario; i.e. Net Zero 2050, and assessing the entity's strength according to its strategy and assuming that a set of other plausible scenarios may occur.
- Decarbonisation strategy. Bankinter is well aware that the financial sector must assume its role as an enabler of the transformation towards a sustainable economic model that can mitigate or adapt to the impact of climate change and protect the environment. It is fully committed to this, as illustrated by its membership of the Global Compact Network Spain, UNEP FI and the Net Zero Banking Alliance. By belonging to this alliance, Bankinter undertakes a commitment to making its financial and investment activity emissions neutral by 2050, in line with the objectives of the Paris Agreement on Climate Change. To deliver on this commitment, in February 2022 the Group drew up its own decarbonisation strategy, approved by the Group's administrative body through the sustainability and appointments committee. This involved established specific quantitative targets for financed emissions intensity to 2030 in line with the emission reduction plans laid down in Spain's Integrated National Energy and Climate Plan. To meet its decarbonisation targets, Bankinter is firmly committed to an inclusive strategy that helps our customers transform and adapt to a lower-emission and more eco-friendly economy. However, we must remember that the combustion of fossil fuels is the main source of greenhouse gases, so efforts over the coming years must focus on reducing our reliance on fossil fuels considerably. Against this backdrop, Bankinter will

become increasingly demanding in terms of compliance with decarbonisation objectives, limiting funding of activities that are incompatible with emissions reduction or customers who are not willing to change.

- Sustainable businesses. Bankinter has designed several products linked to sustainability criteria; e.g. sustainable investment funds, green mortgages, debt issues, renewable energy project finance, alternative venture capital funds, pension funds managed using criteria of sustainability and financing of energy efficiency activities in homeowners' associations.

- **Technological risks**

These risks are supervised by the Digital Security area, which reports hierarchically to the Digital Banking division. Functionally, it reports regularly to Bankinter's managing risk director. Its main responsibilities regarding management of these risks include: training and awareness-raising on information security; coordination of technology environment improvement plans; management of system vulnerabilities; coordination of certified risk management systems; cryptographic key custody; identification and definition of the security requirements for new projects and developments; definition, approval and maintenance of business continuity plans, technological contingency and incident response plans; implementation of security measures on operating systems, databases and middleware; and identification and management of any vulnerabilities detected.

- **Reputational risk**

The first-line management of this risk is delegated to the various subsidiaries, support areas and business units, operating within the scope of the policies and guidelines issued by the Corporate Reputation unit. This unit in the corporate communications and responsibility area draws up reputational risk metrics, overseeing the preventive management of this risk and mitigation of potential reputational risks by participating in crisis response actions.

- The second lines of control, integrated into the **Corporate Control and Compliance Department** (hereinafter "DCC"), directly dependent on the board of directors through the Risk and Compliance Commission, except with regard to financial control for which it will depend on the audit committee, include the following areas of action: (i) risk control and internal validation; (ii) regulatory compliance; (iii) financial control and outsourcing; and (iv) prevention of money laundering and financing of terrorism, (v) any other expressly entrusted to it by board of directors.

The Corporate Control and Compliance Department may perform duties and extend its remit to all entities, subsidiaries and branches belonging to Bankinter Group, in order to

supervise independently and objectively, under a single management body, the business lines and support units so that:

- Persons who perform duties for the Corporate Control and Compliance Department will be dedicated exclusively to these duties, and in no case will they perform duties or tasks corresponding to the areas they supervise or control.
- It will be separate, from an organisational point of view, from the activities it supervises and controls; and
- The remuneration of its staff will be structured in such a way that:
 - (a) It does not interfere with its independence and objectivity;
 - (b) Qualified and experienced personnel can be employed in these roles;
 - (c) It is not substantially linked to the results obtained by the areas they supervise or monitor; and
 - (d) It is primarily made up of fixed components.

The units comprising the second line of defence must be highly specialised and extremely knowledgeable about their areas of operation. However, in line with corporate governance recommendations and best practices, the actions of the second line of defence units must be coordinated, so that they share:

- (i) An comprehensive view of the set of risks to which the Group is exposed;
- (ii) A full scope, so that the second line of defence effectively impacts all Group entities and the activities they carry out;
- (iii) A common methodology, tools and resources;
- (iv) A level, recognition and independence of its function; and
- (v) A system of reporting and access to the Group's board of directors and senior management that provides a comprehensive overview of the entity's internal control situation.

In short, the DCC's general functions are: (i) effective risk control within the general risk appetite framework; (ii) respect and application of the Group's policies; and (iii) compliance with the operational procedures and the regulations in the following areas of action:

- (i) Regulatory compliance: this comprises control over legal and compliance risks, including risks related to conduct and transparency with customers in the provision of banking, financial, insurance and investment products and services, and the prevention of market abuse and conduct in the securities markets. It reports to the risk and compliance committee on compliance with the code of conduct in securities markets; the requirements and ongoing inspections of regulatory bodies; advice provided to the Bank on regulatory matters through the various regulatory proposals; involvement in the configuration and development of new products; and training in the organisation, among other topics.

- (ii) Anti-money laundering and terrorist financing: this relates to risks arising from compliance with related regulations. It reports to the risk and compliance on matters including the analysis of risks to determine the Entity's risk appetite, in accordance with its Bank's risk framework, and the definition and monitoring of the oversight plan, identifying critical areas for action (e.g. governance, due diligence, detection, analysis and reporting, contact with regulators, training).
- (iii) Financial control and outsourcing: this includes control over the effectiveness of administrative and accounting procedures for the preparation of internal and external financial reporting and overseeing the control framework for the Group's outsourced services, especially critical services, and compliance with the outsourcing policy and external regulations.
- (iv) Risk control and internal validation: it is responsible for oversight of all material risks outside the scope of the other second line of defence control units. The internal validation unit is also in charge of validating the advanced risk models and their results. To do so, it analyses them and issues reports with opinions on their validity for risk management and on their use in managing risks, and issues the related recommendations. It also oversees credit risk management at regional organisations.
- (v) Any other responsibilities expressly entrusted to be by the board of directors.

On 17 January 2022, the risk and compliance committee approved the Corporate Control and Compliance department charter. Its purpose is to provide a regulatory framework for the Corporate Control and Compliance function, giving it the organisational elements required to discharge its duties effectively, and determine the related roles and responsibilities for the people and bodies that comprise it. This regulatory framework considers the unique features and specialisation of the units that comprise the Corporate Control and Compliance division. Therefore, it is complemented by the charter of each function:

- (i) Charter of the anti-money laundering and terrorist financing function;
- (ii) Charter of the regulatory compliance function;
- (iii) Charter of the risk control and internal validation function; and
- (iv) Charter of the financial control and outsourcing function.

- **Other units or bodies that monitor specific risks at Group level (that are not within the Control and Compliance Department)**
 - **Privacy and data protection**

The board of directors of Bankinter, S.A., as Bankinter Group parent, must ensure that the Bank and Group have an appropriate privacy governance framework in place to guarantee respect for the right

to privacy and personal data protection of customers, employees, shareholders and suppliers (the "data subjects"). With this objective and to guarantee that the company genuinely has a culture of compliance in this area, the board of directors updated the Bankinter Group Privacy Policy in October 2022, which includes the general principles that govern all activities and initiatives carried out by Bankinter Group and that may affect the right to privacy of data subjects. Additionally, the following organisational chart is defined in Bankinter Group's Privacy Policy:

- **Privacy committee**, comprising mainly the Bank's senior management and representatives of subsidiaries that promote and approve initiatives that are strategically important for Bankinter Group.

The privacy committee is entrusted with the following duties:

- Approving initiatives that affect the right to privacy and the protection of personal data of strategic importance to the Bank.
- Approving the internal procedures necessary to ensure that the right to privacy is duly respected.
- Make recommendations on any necessary alterations to the Bankinter Group privacy policy, for approval by the board of directors.
- Approving the control system and measures to remedy any deficiencies detected.
- Regularly verifying the measures approved by the committee.
- Fostering the culture of compliance.
- Making decisions on the disclosure of security breaches that pose a high risk to the rights and freedoms of data subjects.

The privacy committee has its own internal rules and regulations and reports annually on its activity to the audit committee.

As a further show of its commitment to proactive responsibility, the Bank has appointed a **corporate data protection officer**, who has been assigned the following duties:

- Coordinating the privacy and data protection officers of Group companies, to guarantee that they apply the same criteria in matters of privacy and personal data protection.
- Approving new initiatives that affect the right to privacy and personal data protection that are different to those already approved in the organisation the responsibility for which exceeds that of the privacy and data protection officers of the Group entities.

Lastly, Bankinter Group entities that process personal data have appointed a **data protection and private officer** with the duties outlined in Regulation 2016/ 679/ EU of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), including:

- Advising the data controller of their obligations in relation to data privacy and protection.
- Approving initiatives that affect the right to privacy and the protection of data similar to those already approved at corporate level.
- Overseeing compliance with applicable regulations governing privacy and data protection.

Each data privacy and protection officer (DPO) is supported by a DPO office, comprising the necessary profiles (recruited internally and externally, as required) to ensure that they can perform their duties. The DPO office also has its own set of rules and regulations.

- **Crime prevention and professional ethics committee**

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

On 21 October 2015, the board of directors of Bankinter, S.A., in accordance with the reform of the Criminal Code, approved by Organic Law 1/2015, of 30 March, which entered into force on 1 July 2015, approved the creation of the Crime Prevention and Professional Ethics Committee, which is responsible for overseeing the functioning and compliance of the criminal risk prevention model and has autonomous powers of initiative and control.

The regulations implementing the powers and functions of this committee include the criminal compliance systems in Bankinter Consumer Finance, Luxembourg and Evo, to ensure proper harmonisation and integration with the Bank's system. This was presented to the audit committee at its meeting on 20 July 2020 and was submitted for approval by the board of directors at its meeting on 22 July 2020.

The chair of the crime prevention and professional ethics committee reports annually and directly to the audit committee, informing the board of directors.

In addition, Bankinter has been certified by an external expert for the general Criminal Compliance model implemented by the Bank, according to which:

"Bankinter's crime prevention model has the capacity to prevent the commission of crimes effectively and to enable the Bank to be exempt from criminal liability of the legal entity pursuant to article 31 bis 2 of the Criminal Code."

The update of the Criminal Compliance Model for the Subsidiaries, Bankinter Consumer Finance, E.F.C., S.A. and EVO Banco, were approved by their boards of directors in meetings held on 31 March and 25 April 2023, respectively. At Bankinter Investment, S.A.U. and Bankinter Investment SGEIC, S.A.U. (the Manager), the Criminal Compliance Model was implemented on October 25 and October

10, 2023, respectively. All subsidiaries have a report from an external expert concluding that there is a CC Model that meets the requirements established in the Criminal Code and that the model has the capacity to effectively prevent the commissioning of crimes and to exempt the bank from criminal liability pursuant to Article 31bis.2) of the Criminal Code.

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

- Code of Professional Ethics of Bankinter Group employees, available to all employees through the Intranet, the current text of which was approved by the board in its meeting 22 February 2023, at the proposal of the audit committee.
- Code of Professional Ethics for Agents, available to agents through the agents' extranet.
- Code of Professional Ethics for suppliers, available to suppliers through the suppliers' portal.

Bankinter has a whistleblower channel accessible on the bank's public website. The whistleblower channel is a communication channel that allows any person who has any relationship with the bank to inform the organisation's senior managers, with strict confidentiality and anonymously, of any acts contrary to ethical values, which the Group is firmly committed to respecting.

7.3.- Main risks which may affect the achievement of business objectives

Bankinter carries out almost all of its lending activity in Spain, Portugal and Ireland. As such, it is subject to the normal risks in the banking and financial sector, such as: credit, counterparty, market, balance sheet exchange and interest rate, liquidity, operational, business, reputational and compliance risks.

Bankinter has traditionally maintained a prudent risk policy, which has allowed it to outperform within the industry over the years and across different cycles of the economy.

For credit risk, the Group concentrates on lending to individuals with moderately-high and high income with a solid residential mortgage portfolio and significant advisory and asset management activities. In recent years, the Bank has developed its consumer financing business and investment banking with a limited risk appetite. As concerns businesses, the focus is on medium-sized and large businesses that have performed relatively better in crises and have higher international growth potential.

For market risk, the exposure is very limited and as far as structural risks are concerned, the institution follows a policy of neutralising interest rate and exchange rate risks deriving from the Group's businesses.

The risks that may affect the achievement of business objectives are those inherent to banking activities in Spain, Portugal and Ireland.

The section "Materialisation of risks during the financial year 2023" summarises any changes in risk in the financial year.

The outlook for coming periods will depend on the scale of the economic downturn and inflationary pressures. Households, companies and public administrations showed strong resistance to the tightening of financial conditions in 2023 thanks to a positive change in incomes, which could change direction in a context of lower growth. Therefore, the risk of an increase in non-performing loans increased in 2023, as economic agents were exposed to an increase in financial effort along with a possible decrease in income.

On a positive note, the financial sector is much more resilient now than in previous crises. Solvency ratios in Europe have largely increased in recent years and the normalisation of interest rates is allowing the sector to recover profitability. In addition to strengthening solvency and profitability, Bankinter has reinforced its management capabilities in order to face adverse scenarios with new analytical capabilities and efficiency in processes, especially in terms of advance payments and recovery systems. Note 44 of the Consolidated Legal Report provides much more detail on risk management.

Bankinter is preparing for potential risks by maintaining a prudent risk profile (as demonstrated by the risk appetite framework), by monitoring its risk tolerances and limits closely, and by actively managing the sources of market risk and its liquidity profile, as well as its asset quality and capital levels.

Other, more indirect, risks are also emerging, such as technological risk and disruption in financial business models, climate change, and cyber attacks. These issues and the measures that Bankinter is taking to prevent them are discussed in the Non-Financial Statement.

7.4.- Risk tolerance level

The risk appetite and tolerance that the Group assumes in performing its activity are subject to the following principles:

- Prudent strategies, policies, organisation and management systems adapted adjusted to the size, environment and complexity of the Group's activities, based on quality banking practices.
- The entity's respect for and conformance to established regulatory requirements, limits and restrictions, ensuring proper compliance with prevailing legislation at all times and maintaining the principle of anticipating new regulatory developments, to reduce their potential impact.

- Maintenance a low or moderate credit-risk exposure, in line with the values shown by the lowest NPL ratio in Spain's financial system and the lowest expected losses under stress scenarios.
- Work with first-class financial institutions in every country, of recognised solvency and sufficient rating to limit counterparty risks.
- Appropriate hedging of problematic assets.
- Work with first-class financial institutions in every country, of recognised solvency and sufficient rating to limit counterparty risks.
- Adequate return on capital invested, ensuring a minimum return over the risk-free rate throughout the cycle and complying at all times with target capital levels and operating profitably.
- Maintenance of a low level of market risk in the trading portfolio, so that the losses generated in stress scenarios have an extremely limited impact on the Bank's income statement.
- An ALCO portfolio comprising low-risk securities and a return commensurate with the entity's RoE requirements, designed to reduce the volatility of net interest income and adjust the impact of any changes in interest rates.
- Intense growth in the priority strategic medium-sized and large enterprise segments, characterised by higher-quality risk and its notable contribution to earnings through the generation of income, fees and commissions, and other recurring income.
- Balance of the loan book to boost profitability.
- Reducing dependence on wholesale markets for funding the business by seeking balanced growth in retail funds.
- Diversification of wholesale funding sources, from the viewpoint of both instruments and markets, maintaining a balanced maturity profile.
- Optimisation of retail financing costs, maintaining a balance between returns on loans and market interest rates, ensuring it stability and avoiding excessive concentration of maturities.
- Use of a risk diversification policy to avoid excessive concentration levels that might translate into difficulties for the Institution.
- Contribution to the sustainable development of society, including the preservation of environmental resources.
- Limitation of business in sensitive sectors that could entail a risk for the Entity's sustainability or have a negative impact on its reputation and/or honourability
- Moderate appetite for interest rate risk.
- Maintenance of a very low structural foreign currency position (excluding trading activity, which is measured and limited by other means), trending continuously towards zero.
- Reinforced control of the Bank's reputational positioning (e.g. good corporate governance, systemic risks).
- Minimisation of exposure to pension obligation risk through the most appropriate mitigating measures (e.g. outsourcing, hedging instruments, diversification).
- Desire to round out the level of services that Bankinter offers its customers, both in private banking and merchant banking, offering limited-risk investment banking services.
- Optimisation of the cost-to-income ratio, considering aggregate costs and revenue.

- Maximisation of shareholder value creation throughout cycles, all underpinned by a strong capital and liquidity base.
- Diversification lines of business by leveraging opportunities in companies in the financial sector that are related or complementary to the core business model.
- Maintaining a Common Equity Tier 1 (CET1) ratio within the fluctuation band set by the Entity, above the regulatory minimum and with a medium-term target of around 12%.

In addition, the Risk Control and Management Framework established by the board (the "Framework") clearly describes the Bank's risk policies and the systems of limits and powers for all material risks ensure that the policies are implemented within the established tolerance margins. This Framework and the provisions developed internally establish precise metrics and limits for each type of risk and organisational unit, which are summarised below:

- For credit risk, quantitative limits are assigned in the Framework and developed under the delegated powers system to the amount of risk approved, based on organisational level and the nature and duration of the transaction.
- For structural and market risks, there are specific metrics (exposure level, value at risk (VaR), maturity mismatches, liquidity mismatches) and limits are established for the various management levels.
- For operational risk, the Framework establishes the risk control environments, adjusting them to the amount of risk (higher inherent risk requires a better control environment). An estimate of potential risks is made in the risk map to prioritise risk management and losses from operating risks events are tracked in detail.

For tax risks, it should be noted that by means of a resolution dated 20 May 2015, the Bank's board of directors approved the final version of Bankinter Group's tax strategy, stating that the policy is primarily aimed at ensuring responsible compliance with tax rules, while best serving the Group's corporate interests and supporting its business strategies. For these purposes, within the framework of its social and corporate responsibility, Bankinter recognises the social value and worth of the tax system and therefore aims to ensure that its own tax function serves the Group's best interests and those of its stakeholders, while also ensuring that the local community believes and trusts in the Group.

On 22 April 2014, the board of directors of Bankinter, S.A. approved such items as an agreement to adhere to the entire Code of Best Tax Practices sponsored by the Spanish Tax Administration Agency (Agencia Estatal de la Administración Tributaria), both in Bankinter's own name and as the parent company of tax group 13/01 to file consolidated corporate income tax returns and tax group 128/09 for the value added tax (VAT) regime for groups of companies.

In compliance with the commitments under this agreement, in 2019, 2020, 2021, 2022 and 2023, Bankinter filed transparency reports for 2018, 2019, 2020, 2021 and 2022, respectively, with the AEAT, demonstrating its commitment to collaboration with the tax administration.

7.5.- Risks that materialised during 2023

In 2023, global economic growth slowed in a context marked by restrictive monetary policies and geopolitical conflicts. By region, changes were inconsistent, highlighting the momentum of the American economy and some emerging economies and the poor performance of the Chinese and European economies. Spain performed relatively better than Europe, driven by the recovery of the tourism sector. An important feature of the year was the decline in home purchase and sale transactions and mortgage financing as a result of the sharp rise in interest rates.

In this environment, Bankinter continued on its path of prudent growth, in accordance with the principles expressed in its risk appetite framework and striving to balance growth, profitability and risk at all times. Activity declined in commercial retail banking influenced by the reduction in mortgages, it also slowed down in commercial retail banking and has maintained significant momentum in business across Portugal, Evo Banco and Ireland.

Loans and advances to customers at amortised cost increased by 3.4% (Note 10) and eligible exposures (which include off-balance-sheet exposures) increased by 4.2%. The risk being closely monitored fell by 2.4%, mainly after the sectoral effects of the health and energy crisis improved. Doubtful risk grew by 5.9% and the non-performing loans index stood at 2.11% for the year, which represents an increase of 1 bp in the year, i.e. 0.3%. This is 67% of the sector average in Spain (3.57% according to Banco de España data from November 2023).

The provisions for credit risk have increased by 1.9% as fully explained in the annual financial statements.

At the end of December 2023, the foreclosed asset portfolio stood at 85 million euros, representing 0.1% of total credit risk, after falling by 30.6% during the course of the financial year.

For more information about the policies and risk management and their impact on the Bank's accounts, see the sections "Risk policies and management", "Financial assets at amortised cost", "Non-current assets", "Additional information on risks: refinancing and restructuring transactions" in the Consolidated Legal Report (available on Bankinter's corporate website under the section titled "Shareholders and Investors" – Financial information").

Bankinter believes that the control and monitoring systems are functioning properly, as indicated by having one of the lowest non-performing loan ratios in the sector.

No tax risks materialised during the year that might have affected the business objectives.

As concerns tax proceedings affecting Bankinter Group –currently pending since the Bank's income statements were challenged before the tax appeal boards and other competent bodies—we refer readers to the notes to the Group's financial statements. In any event, adequate provisions have been recognised

for any tax-related liability that might arise from these proceedings, based on figures for 2023 and previous periods.

7.6.- Response and monitoring plans for the major risks to which the company is exposed

As mentioned in previous sections, Bankinter actively manages these risks using various pillars, which are essentially as follows:

- A clear organisational structure that is independent of the business function, which starts at the board of directors and features a specific structure and functions for identifying, measuring, controlling and managing the various risks.
- Risk policies clearly established by the board that have become crystallised in specific structures involving limits, powers and internal reporting and decision-making processes.
- Specific control systems and procedures, strongly supported by IT information, control and management systems.
- A solid risk culture established over years.

Bankinter's capacity to respond to major risks (as demonstrated during the crisis and anticipated for the immediate future) can be summarised as follows:

- The risk acceptance policy is prudent and business plans are primarily aimed at low to moderate-risk customer segments, both for individuals and legal entities. The credit risk control, monitoring and recovery systems are continually strengthened and supported by investments in IT systems. All of this is summarised in a NPL ratio of 2.11% at the end of 2023, and the ratio in Spain was 67% of the average for the sector in Spain (3.57% according to data from Banco de España as of November 2023).
- There is active management of structural interest rate risk aimed at protecting net interest income and the Bank's economic value vis-à-vis changes in interest rates.
- Liquidity risk is monitored and actively managed, working primarily on liquid asset cushions, concentration on wholesale funding, diversification of funding sources and improvement of the resulting balances on commercial transactions.
- Operational risk is actively managed using self-evaluations, risk maps, specific improvement plans, key operational risk indicators and contingency plans for the most significant risks.
- Additionally, all relevant risks have been identified and actively managed. The risk management section of the Non-Financial Information Statement details the management of increased and emerging risks, such as cyber risk and climate risk.
- The Institution maintains certain capital adequacy levels above the regulatory minimums. At the end of 2023, the CET1 – Common Equity Tier I Fully Loaded) ratio stands at 12.30%, and Tier I Fully Loaded at 13.97%.

As noted previously, Bankinter Group's internal control system is based on establishing the so-called "three lines of defence".

The Corporate Control and Compliance division, which brings together the second lines of defence, draws up policies, procedures, limits and controls, so that Bankinter Group can implement the right approach, in its areas of responsibility, for identifying, monitoring, assessing, measuring, managing and reporting risks. This approach must entail:

- (i) Identification of the risks that could affect Bankinter Group's business performance;
- (ii) Assessment of the risk inherent to Bankinter Group's operations to encourage implementation of prevention plans by proposing the approval of policies, the establishment of systems, IT tools and procedures, and the right resources that the first and second lines of defence should execute to mitigate the risk;
- (iii) A systematic programme for overseeing and verifying compliance with regulations, policies and procedures and respect for the risk appetite framework in its area of responsibility. In carrying out this approach, the division and the units it comprises are tasked with:
 - (a) Defining, based on the risk assessment and, where appropriate, in agreement with the first line of defence, a programme of controls or indicators that must be put in place to verify compliance with the risk mitigation measures (i.e. monitoring);
 - (b) Defining and regularly performing specific actions to verify the level of implementation of some of the mitigation measures;
 - (c) Following up on the recommendations of internal auditors, external auditors and supervisory bodies;
- (iv) Managing those controls expressly attributed to it as the second line of defence;
- (v) Participating in the procedures for approving new products and activities so as to ensure that the potential risks they may give rise to are properly assessed and that the required mitigating factors are implemented to prevent them and comply with applicable regulations;
- (vi) Reporting to the Group's board of directors and senior managers, on a regular basis, on the control of the Group's risks, the application of risk-prevention policies and procedures and, as applicable, any situations of material risks, proposing the appropriate mitigation or correction measures that must be implemented;
- (vii) Advising the board of directors, senior management and the rest of the Group's units, informing them about the measures that must be implemented to comply with regulations and recommendations related to their scope of action and, with support of the regulatory area, on relevant legislative, regulatory or supervisory developments;
- (viii) Developing a risk and compliance culture and ensuring that everyone in the Group is aware of the applicable rules, external regulations and internal policies providing specific training for staff based on Bankinter Group's operations, strategy and risk profile; and
- (ix) Reviewing and updating, on a regular basis, its charter, proposing amendments where needed to the board of directors.

The results of monitoring and verification activities, and external review processes (internal and external audits and inspections by supervisory bodies, customer complaints) complement the risk assessment, enabling the division to verify the effectiveness of existing controls, propose modifications or adaptations to control where necessary and, as appropriate, review the validity of, or add to, the mitigation measures in place.

In 2023, the Control and Compliance division executed the annual plan it had submitted to the risk and compliance committee. Progress on the plan quarterly activity reports is presented to the board risk and compliance committee. Reports were also provided to the committee regarding requests for key information received from the Spanish National Securities Market Commission and Banco de España, and on the status and progress of the various inspection proceedings to which the Bank is currently subject in relation to the provision of investment services or regulatory compliance matters.

In relation to the prevention of money laundering (PML), throughout 2023, 7,023 employees participated in PML training, which counted for a total of 4,994 hours, in line with the annual training plan.

Internal audit control

The Internal Audit function at Bankinter Group is structured as an independent and objective activity organised to add value and improve the organisation's operations. To this end, and without prejudice to its autonomy and neutrality, the aim of Internal Audit is, broadly, to help the board of directors to protect the assets, reputation and sustainability of the organisation and the interests of shareholders.

Internal Audit performs activity to evaluate and ensure the effectiveness of the risk control and management processes, internal control, regulatory compliance and corporate governance, among others, adding value and flagging needs for modifications, as appropriate, and proposing suggestions to improve the organisation's operations.

Internal Audit carries out audit work (assurance), as well as risk analysis. It also monitors the implementation of action plans for their mitigation. In this way, it meets regulatory requirements and contributes to the achievement of strategic objectives and the improvement of the effectiveness of risk management processes and the internal control framework, providing a systematic and disciplined approach based on risks.

Internal Audit's framework of action is governed by the principles of independence, integrity, objectivity, diligence, confidentiality and transparency. For the purpose of performing its functions, the Internal Audit procedures are aligned with the International Standards for the Professional Practice of Internal Auditing.

In 2023, Internal Audit carried out its annual action plan, providing the audit committee with details of the reports and the work carried out during the year, not only with reference to Bankinter S.A., but to all Group companies, although some of them have their own audit committee, in application of Recommendation 6 of the CNMV's Good Governance Code.

The 2024 Audit Plan was presented and approved by the Audit Committee in December 2023. Additionally, the Internal Audit function closed its 2020-2023 Strategic Plan and presented the main lines of action of the Strategic Plan for 2024-2026 to the Audit Committee.

Confidential whistleblowing:

The rules and regulations of the board of directors and the committee's own regulations establish that the audit committee *"shall supervise and ensure the effectiveness of the whistleblowing procedure whereby employees may report any potentially significant irregularities or breaches they may notice within the Company, particularly those relating to finances and accounting"*.

Since 25 January 2017, according to Bankinter Group's Code of Professional Ethics, the head of Internal Audit receives all communications sent through the internal whistleblower channel. This channel was implemented in the Entity in 2007, to report possible significant irregularities, especially financial and accounting ones, which had been come to the Group's attention. The Head of Internal Audit guarantees the confidentiality of the complaints received and the private and confidential nature of the whistleblower's data and the information provided. The Head of Internal Audit is also responsible for initiating any actions necessary to determine whether there is sufficient evidence for the alleged facts reported to justify opening an investigation and, where applicable, the initiation of penalty proceedings. The Head must also reports periodically to the audit committee on activity carried out through this channel.

likewise, the Code was modified in 2023, adding a provision for anonymous communications and including a procedure for the case of misconduct on the part of the head of Internal Audit.

Throughout 2023, the committee was kept informed of the complaints received, which were managed in accordance with the established procedures. With regard to the confidential whistleblower channel in particular, 29 confidential complaints were received (12 in 2022), which were processed by the responsible departments. The increase in complaints received coincided with the new whistleblower channel, accessible to everyone on Bankinter's public website.

Crime prevention and professional ethics

In 2023, the Bankinter crime prevention and professional ethics committee processed 14 disciplinary cases (16 in 2022) related to breaches by employees of the Code of Professional Ethics (9 in Spain vs. 8 in 2022; 2 in Portugal vs. 0 in 2022, and 8 agents (3 in Spain vs. 8 in 2022). The cases involving breaches by two employees were resolved with dismissal.

Training

A criminal compliance course was held in 2023 for new Bankinter hires and all employees of subsidiaries Bankinter Consumer Finance, EFC, S.A., EVO Banco, S.A., Bankinter Investment S.A.U. and Bankinter Investment SGEIC (the Management Company).

Contributions to foundations and NGOs.

Bankinter Group's main contribution was through Fundación Innovación Bankinter which, through entrepreneurship programmes, an innovation think-tank and training programmes.

Bankinter Group also forges strategic alliances with the third sector across the communities in which it operates, working alongside them to identify and address local community needs.

With the objective of making its external social management more effective, the Bank adopted the London Benchmarking Group (LBG) methodology for measuring, managing, assessing and reporting the contributions, achievements and impacts of the Bank's social action on the community and the environment. Based on this methodology - which encompasses financial and in-kind donations and management costs - contributions to foundations and NGOs made by the Group in 2023 amounted to 3.6 million euros.

Bankinter is also a partner of Fundación Lealtad, a non-profit institution that promotes NGO transparency and best practices, helping donors decide what charity to collaborate with through the assessment reports it prepares on accredited charities.

Responsible management of the supply chain

As for responsible management in the supply chain, Bankinter has integrated ethical, and environmental, social and governance criteria into its supplier certification process. It has also included clauses related to environmental, social and governance management in contracts with suppliers, in which they undertake to prevent corruption, ensure data protection, avoid child labour and guarantee stable employment, among other requirements.

8.- INTERNAL SYSTEM OF CONTROL OVER FINANCIAL REPORTING (ICFR)

8.1.- The entity's control environment in relation to financial reporting

Bankinter's board of directors is ultimately responsible for the reliability of the financial information and for maintaining an adequate system of internal control over financial reporting. In addition, article 39 of the rules and regulations of the board of directors has delegated to the audit committee the duty:

'To safeguard the reliability and transparency of the internal and external information on the Bank's results and activities and, in particular, to verify the quarterly and half-yearly financial statements of the Bank and the Group, as well as the annual financial statements, the notes to the annual financial statements and the management report prior to their approval by or submission to the board of directors and their publication, and to supervise the Bank's policy in relation to prospectuses and other forms of public information.'

Bankinter has a manual of accounting policies and financial reporting procedures (the "Manual of Accounting Policies"), which the board of directors approves on the recommendation of the audit committee.

According to article 5 of the rules and regulations of the board of directors, among other responsibilities, the board of directors is responsible for *"approving the risk management and control policy, while regularly monitoring internal reporting and control systems..."*. Section 11.6 of article 38 of the rules and regulations of the board of directors further provides that the audit committee has the duty of *"supervising the efficacy of internal controls, internal auditing services at the Company and systems to control risks (including tax risks), so as to safeguard the independence and effectiveness of the internal audit function."*

The Bank's chief executive also supervises the process of designing systems of internal control over financial reporting at Bankinter Group.

Meanwhile, the effective implementation of the systems of internal control over financial reporting is the direct responsibility of the Financial Control area, which was set up to ensure the reliability and transparency of the Bank's information. It is also the responsibility of the Finance area of the Bank and of each Group subsidiary, as well as the various sub-divisions and departments that are involved in or otherwise have an impact on the quality and reliability of the financial information used to draw up the Group's financial statements.

The audit committee addresses, among other matters, possible weaknesses in the control system, as well as the reliability and accuracy of the financial statements, in order to evaluate possible corrections, after receiving the necessary information and clarifications from the areas responsible for or otherwise involved in preparing such statements. When attempting to detect these weaknesses, the audit committee relies on the support of the Group's external auditor and the internal audit division, both of which verify the effectiveness of the system put in place to control the quality of financial information and detect possible deviations that might ultimately lead to material errors in such information.

Bankinter's board of directors is responsible for approving and reviewing Bankinter's organisational structure, on the recommendation of the sustainability and appointments committee. On 18 November 2015, Bankinter's board of directors approved the policy on the organisational structure of Bankinter Group, which lays the foundations for the optimal organisation and governance of both the Company and its Group in view of its multi-company structure and presence across different businesses and sectors. The policy also responds to current demands and expectations of the Company and its Group in terms of corporate purpose and interests.

The existing organisational structure of Bankinter Group seeks to ensure a sound internal control model for financial reporting.

The Manual of Accounting Policies, approved by the board of directors on the recommendation of the audit committee, lays down the lines of responsibility and authority regarding the financial reporting process. It also sets out certain ethical principles applicable to all persons with accounting and financial reporting responsibilities and functions. This manual provides a detailed description of the ethical principles and the procedures to be observed when recording transactions and in the preparation and communication of financial information.

In summary, the applicable ethical principles are independence, integrity, responsibility, professionalism, dedication and confidentiality.

General guidelines for conduct also provide that all transactions must be recorded in accordance with generally accepted accounting principles, specifically, in accordance with the applicable rules set forth in the Manual of Accounting Policies.

Other direct responsibilities of employees with financial and accounting duties are the following:

- Maintain up-to-date knowledge of the accounting regulations and the policies and procedures of Bankinter Group, and perform their duties in accordance with them. Employees have the duty to request professional advice internally if they deem it necessary.
- Be on the alert for possible violations of Bankinter's financial and accounting policies that may be detected in financial reporting analyses and report them immediately.
- Communicate and report financial information in a fully transparent manner.
- Keep the documents supporting accounting records under custody, in accordance with Bankinter Group's policy.
- Immediately report any pressures from management to manipulate estimates and/or accounting valuations in order to alter financial results.

In addition, senior management with responsibility for financial reporting must:

- Ensure that all accounting employees have adequate professional experience and resources to perform their duties properly.
- Prevent and detect pressures to alter accounting valuations or estimates in order to wrongfully influence or alter financial results.
- Take the necessary measures to reasonably ensure that financial statements and communications on financial matters made by Bankinter are thorough and correct.
- Establish, specifically, measures to warn of:
 - i. Accounting records that improperly reflect the nature of the transaction.
 - ii. Pressure to produce incorrect accounting profit or loss.
 - iii. Resistance from persons or heads of processes with financial and accounting duties to avoid such processes being reviewed or audited.
 - iv. Existence of unreported funds or unrecorded assets or liabilities
 - v. Estimates of valuations, allowances, reserves, etc. that are not supported by facts or proper documentation.

The Group has a confidential whistle-blowing channel in place, providing direct contact with the audit committee.

The existence of and access to this channel are made known to all members of the organisation so they may use it to report financial, accounting and other irregularities. In 2023, a feature to ensure communications remained anonymous was added, and a procedure was added for the case of misconduct on the part of the head of Internal Audit

This channel is a channel of communication at Bankinter to receive complaints or reports on a confidential basis in connection with bad practices in financial and accounting matters that may be potentially significant for the company, protecting the anonymity of the whistle-blower. It was also created to preserve the Bankinter Group's corporate values, in addition to the mere personal liability for individual actions, and requires the commitment of employees to report, through their timely communication, those situations which, while not related to their actions or area of responsibility, they consider to be ethically questionable in accordance with the content of the Code of Ethics.

Communications will be sent through the confidential whistleblower channel, available on the Bank's public website. The recipient of such reports shall be the head of the Internal Audit division under the authority of the audit committee, or by writing to the head of the Internal Audit division, thus ensuring absolute and strict confidentiality both in the reporting process and in any investigation process, and complaints can also be made anonymously. Reports are reviewed in the order in which they are received, provided they meet the requirements established in the procedures governing them.

Bankinter Group employees involved in the various processes for the preparation of financial information regularly participate in training and refresher programmes so as to allow them to perform their duties effectively.

Training plans for financial and accounting personnel are designed and approved by the financial divisions of the Bank and subsidiaries, as well as the various general divisions involved in drawing up financial information. Such training plans are supervised and managed by the People Management Division.

Forty-four Financial Reporting courses were given in 2023 in the banking activities area of the Group. A total of 552 training hours were given. The main areas receiving this training were:

- Analysis and financial planning
- General accounting
- Financial control
- Finance management

8.2.- Assessment of financial reporting risks

The process for identifying risks in financial reporting is described and formalised in Bankinter Group's Manual of Accounting Policies.

The control system over financial reporting must establish a balance between the effective level of control and the related cost. In line therewith, the Group's Accounting Policies Manual establishes a process for the identification of risks in financial reporting that is designed following a standard of relative importance and taking into account all the reported and published financial reporting.

The risk identification system for financial reporting at Bankinter Group follows a "top down" process framed within the criteria of relative importance approved by the board of directors and culminating in the monitoring of the financial reporting risks including: Group companies and relevant processes and sub-processes.

The Financial Control area is responsible for checking, at least once a year, that the financial reporting risks it monitors have not undergone any significant change.

All business processes flagged as significant have been assigned a responsible area, which is in charge of documenting the process, identifying the associated risks and evaluating existing controls, while also establishing and implementing new controls if deemed necessary.

Both the procedures to identify financial information risks and the controls designed to control significant processes and activity take into account all the financial reporting objectives, following quantitative and qualitative materiality standards, focusing on the areas and processes carrying the greatest risk of fraud and error in estimates, and taking into account the principles of occurrence, integrity, breakdown and comparability. Specifically, the Manual of Accounting Policies sets out the following objectives:

- **Existence:** All assets (rights) and liabilities (obligations) recorded in the bank's balance sheet exist, and the transactions recorded have been made in the respective period.
- **Completeness:** Not only do they exist, but all assets and liabilities as of the end of the reporting period and the transactions made during the period are recorded.
- **Valuation:** The carrying amount of assets and liabilities, as well as revenues and expenses, have been determined in accordance with generally accepted principles.
- **Presentation:** The information is sufficient, adequate, and is correctly described and classified.

The Finance Division includes the Group's financial reporting function, which is tasked with determining the scope of consolidation of the Group.

The full consolidation procedure will be applied for the annual financial statements of subsidiaries. Accordingly, all significant balances and transactions made between consolidated institutions shall be eliminated in the consolidation process.

The profits and losses generated by entities that Bankinter Group may acquire during a reporting period will be consolidated based solely on the profits and losses they generated from the time they are acquired until the end of the relevant reporting period. Furthermore, the profits and losses generated by entities that Bankinter Group may sell in a year will be consolidated based solely on profits and losses generated from the beginning of relevant reporting period to date on which they are sold.

The proportional consolidation method will be applied in such processes for the financial statements of jointly controlled entities, with the exceptions provided in current accounting regulations. The equity method will be applied for Sister Companies (Entidades Asociadas).

Once the Finance area is informed of the acquisition of a company in which Bankinter Group is a shareholder, its inclusion within the scope of consolidation is analysed and determined in the manner described above.

Note 13 to the annual consolidated financial statements includes important disclosures on investments in subsidiaries, jointly controlled entities and associates, as well as any changes in the scope of consolidation. The same note also includes information about the most significant acquisitions and disposals during the year. The Finance area shall be responsible for reviewing, at least on an annual basis, whether there have been any changes in the risks identified in drawing up the consolidated financial statements and shall report any changes therein to the Audit division.

The Manual of Accounting Policies of the Group establishes standards for assessing significant influence and/or control, which are essential for deciding on consolidation and the consolidation method of the various associates and subsidiaries, and special purpose vehicles.

A detailed description of the main accounting policies, including those relating to the identification of Bankinter Group's scope, is provided in the notes to the financial statements.

The Bank monitors all the risks to which it is exposed, which includes an assessment of the financial reporting risks to which it is exposed. This evaluation is prepared taking into account, as a basic element to evaluate each process and the controls thereof, the existence of a valuation risk or the fact that management estimates are included in its calculation.

The board of directors, through the audit committee, is ultimately responsible for supervising the process, with the support of the internal audit division.

8.3.- Financial reporting control activities

As already mentioned, the board of directors delegates to the audit committee the duty of "Ensuring the reliability and transparency of all internal and external information on the Bank's earnings and activities and, in particular, verifying the integrity and consistency of the Bank's and the Group's quarterly and half-yearly financial statements, as well as the annual financial statements, the notes to the financial statements and the management report prior to their approval by or submission to the board of directors and subsequent release; and supervising the Bank's policy in relation to prospectuses and other forms of public information."

The audit committee, through the external auditor and the internal audit function, reviews the quarterly and half-yearly financial statements of both the Bank and its Group, as well as the annual financial statements, the notes to the financial statements and management report, prior to their approval.

The system of internal control over financial reporting (ICFR) at Bankinter focuses on ensuring the proper recognition, measurement, presentation and disclosure of transactions that are material and that may therefore affect the financial information. The Accounting Policies Manual provides a detailed description of the types of transactions covered and establishes the necessary procedures for the updating thereof.

All the Group's critical processes and activities that, because of their significance, could have an impact on financial reporting are documented in the Manual of Accounting Policies. Such documentation establishes the procedures and controls that must be observed at all times by employees responsible for them.

The accounting of the Bank and its subsidiaries is automated practically in its entirety and is triggered automatically by the recording of the transaction. For that reason, the ICSFI pays particular attention to manual accounting processes and to the launching of new products, operations or special operations.

As regards manual accounting operations, it should be noted that accounting through manual entries is limited to specialist users in the Operations and Accounting area, Customer Care area, BK Consumer Finance and Life Insurance and Market Risks. Most of the entries made are perfectly traceable, as they are recorded together with the user who made them and the description thereof.

New products and services released on the market or the beginning of a new activity, special transactions or any other event that has an impact on the financial statements must be recorded, from an accounting and tax perspective, to ensure that financial information is reliable and compliant with current accounting laws and regulations. In this sense, the Finance and Control Area are advised by the implementing areas of the various initiatives, as are the operational areas, in order for them to review

and determine the applicable accounting policies, to determine the required accounting, inventory, and regulatory information and any other aspect having an impact on the financial statements.

Bankinter has a new product launching committee in order to put in place a strict mechanism of supervision and control, mainly for operational risks that might arise in the ordinary course of banking activities with customers and, in particular, with the approved launching of new products and services, adjusted business practices, established marketing policies and overseen business agreements with other entities or possible partners. It ensures that legal requirements envisaged in regulations and operational and reputational standards established by Bankinter are met.

In addition to first-level controls at the process and activity levels, second-level controls are performed in order to detect material errors that could affect financial information.

As regards the process for the closing of accounts and the review of litigation and significant estimates, valuations and projections, updates on this matter are made in accordance with the provisions of the Group's Manual of Accounting Policies, which are described in detail in the Group's legal report, and they are made by the areas specialising in each of the issues and checked by the Finance area of the Bank or of each subsidiary, as the case may be.

In addition, in all quarterly closings, the results are reviewed by the audit committee, for ultimate approval by the board of directors. To perform these duties it draws on the relevant reviews and considerations of the Financial Control, Internal Audit and the External Auditor.

8.4.- Main characteristics of the process of drawing up financial information

- i) Performance of analytical procedures that make it possible to assess aspects of the income statement, such as:
- Consistency of financial reporting with the performance and growth of Bankinter Group's business and of the wider financial system.
 - Analytical procedures designed to identify unusual operations and items, which include:
 - Comparisons with income statements from previous periods.
 - Comparison of actual results with budgeted results where these have been defined.
 - Comparisons of income statement items with those expected based on the past experience of Bankinter Group and the financial system.
 - Effect of resolutions adopted by the shareholders at the annual general meeting, by the board of directors, etc., on the income statement.

 - Meetings with senior officers responsible for financial and accounting matters in order to, based on the information obtained from the aforementioned analytical procedures, evaluate matters such as:

- Whether the income statement was prepared in accordance with current accounting standards.
- Changes that may have occurred in the activities of Bankinter Group or when implementing accounting standards.
- Significant aspects relating to changes in activities, new products or new lines of business that may affect the income statement.
- Statements concerning changes in the income statement and changes in certain line items, especially any unexpected or unusual changes.
- Information, documents and/or data obtained to assess the reasonableness of the representations made.

ii) Review and performance of calculations and comparisons of a similar nature.

The above procedures are applied based on the principle of materiality. Accordingly, the Bank does not analyse items or transactions that, given their low amounts relative to the Group's income statement, are not material for consideration by the audit committee, and those items whose changes are consistent with the changes seen in their underlying variables.

Furthermore, a system based on the key processes and controls identified to ensure the accuracy and reliability of monthly financial reporting is implemented.

The control system has been designed following quantitative and qualitative materiality standards, focusing on the areas and processes with the greatest risk (fraud, estimates, valuations, errors, etc.). All business processes identified as significant have been assigned a responsible area, which is in charge of documenting the process, identifying the risks thereof and evaluating existing controls, as well as of establishing and implementing new controls if deemed necessary.

The financial control and analysis area has designed an agile, dynamic and efficient system for controls established by those responsible for them.

The process is essentially as follows:

- On a monthly basis:
 - Each of the areas and/or heads is sent a report with the controls that must be checked ahead of the close date for earnings and results.
 - This report must be returned by the person responsible for such control, along with a status description, ahead of the final close date of the Bank's earnings and results. Several controls are performed at intervals that are different from those mentioned due to their respective types, since they would not have an impact on Bankinter's earnings.
 - All this information is grouped and sent to the heads of the financial area for information and control of the situation prior to the closing of results of the current month, which will

allow them to act to resolve possible incidents and/or circumstances, if any, that may have occurred, preventing an incorrect impact on results.

A total of 359 controls have been sent to date (December 2023), the status of which, as reported by those responsible for them, has been favourable, given that they have all been reviewed and classified as without noteworthy qualifications.

- On an annual basis:
 - A report sent to each area and/or manager with the processes and controls established by them for review.
 - This report must be returned by the person responsible for such processes/controls validating, modifying and/or increasing all processes and/or controls that have been modified and/or altered which modify both the structure of the process and the control performed, achieving a dynamic control system.

8.4.1.- Internal control policies and procedures for financial reporting systems

Bankinter's information systems relating to the processes for preparing financial reporting, be it directly or indirectly, ensure at all times that financial reporting is properly prepared and published using a specific internal control system. Bankinter has an information security policy that sets out regulations to identify, develop and implement the necessary technical and organisational measures for guaranteeing the security of the information and information reporting systems, in accordance with technology risk analyses, good practices within the financial system and legal and contractual requirements to which Bankinter Group is bound.

In June 2017, the ISP was formalised as Bank Circular #4323 at the request of the Bank's information security and business continuity committee (S&C committee). This is a document in constant evolution. Various changes took place in 2022: in April, the reference to Línea Directa was eliminated, since it no longer formed part of the Group; Digital Security's organisational structure changed following the creation of the new continuity and response to incidents area; and the number of information security dimensions was reduced, from five to three (confidentiality, completeness, availability) following the change in the risk assessment approach; and in May two clarifications were added, one that the S&C committee is tasked with approving the ISP and one specifying the role of the second line of defence in validating the Security Regulatory Framework.

In 2023, a clarification was included in the section on the scope of the ISP, indicating that the policy and regulatory framework used to draw it up are corporate in nature, so it is applicable to the whole Bankinter Group. Bankinter subsidiaries that, due to their own requirements, contribute to local policies and regulations, must ensure these are aligned with corporate policies and regulations. Corporate policies and regulations shall prevail in case of conflict. Likewise, updates take place due to changes in organisations in the Digital Security area. Finally, the link to the Digital Security portal is

included in the "INFORMATION SECURITY REGULATORY FRAMEWORK" section, so it can be referenced directly in the ISP.

Bankinter has specific internal controls governing access to the applications and systems, based on a system of profiles adapted to the duties of each post.

Management of access to information systems and applications is clearly established and standardised. Access is managed by the Technical Administration Management Department. Every year, usernames created in the main systems are reviewed to determine if they remain active. Bankinter has specific controls for data processing centres to ensure security. User names authorised to access these centres are revised on a quarterly basis and recertified by managers. To perform these tasks, it has a cutting-edge tool in the market that allows control of IDs throughout the organisation to be centralised.

Within the Digital Security division, there is a Business Continuity and Incident Response area tasked with drawing up and maintaining the Company's business continuity plan (BCP).

Said BCP is divided by critical business processes where each of which has the list of resources necessary for its operations (Human Resources, material resources, technological resources, dependence on suppliers, etc.). These resources are covered by disaster recovery strategies framed in four unavailability scenarios (unavailability of Information Systems, unavailability of Human Resources, unavailability of Facilities and unavailability of Services provided by suppliers). The Teleprocessing Contingency strategy is particularly noteworthy. This strategy is detailed in the DRP (Disaster Recovery Procedure) for Teleprocessing, which is based on the availability of two data processing centres, in sufficiently remote geographical locations, and whose data is replicated by both synchronous and asynchronous means.

Data and IT systems can be recovered in the event of a contingency with as little data loss as possible thanks to this measure. Tests are performed at least annually to check that it is functioning properly. Bankinter's BCP is ISO 22301:2019 certified, which directly entails testing contingency plans (including the aforementioned test of teleprocessing).

8.4.2.- Internal control policies and procedures for overseeing the management of outsourced activities, and of the appraisal, calculation or valuation services commissioned from independent experts, when these may materially affect the financial statements.

As a general rule, it is the Bank's policy not to outsource any activity that is considered significant because of its impact on financial reporting. Almost no valuation processes, lawsuits or calculations to be made for the preparation and publication of the financial statements have been outsourced.

Outsourcing of activities is always supported by a service level agreement (SLA) that clearly sets out the services provided and the required service quality levels, in accordance with Bankinter Group's outsourcing policy.

Processes and procedures outsourced to third parties can be audited and are subject to regular audits by the internal audit division, which verifies the suitability of the services and controls in place.

On 16 December 2015, Bankinter's board of directors approved an outsourcing policy, which establishes, among other things, the principles, the services that may be outsourced, the persons responsible for outsourcing, limitations and the outsourcing procedure.

On 24 January 2018, Bankinter's board of directors approved the supplier code of conduct, on the recommendation of the audit committee.

Annually from 2019 to 2023, Bankinter's audit committee, at the proposal of the CNMV or the Risk and Compliance Committee, approved the updates to the Outsourcing Policy

8.5.- Information and communication

8.5.1.- Specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation

The Finance area works alongside the Audit area in ensuring the quality, transparency and timeliness of the separate financial information of Bankinter S.A. and the consolidated financial information of Bankinter Group, in accordance with appropriate accounting methods.

In order to achieve these basic financial reporting objectives, it has been deemed necessary to formally set up a specific function tasked with developing and updating Bankinter's accounting policies, while resolving all queries or conflicts arising from the interpretation of accounting laws and regulations.

This function is assumed by the Financial Reporting division, which is responsible for resolving any conflict of interest that may arise among the various areas and divisions of the Bank, and for deciding how to include or interpret the financial information in the various reports that must be drawn up, in accordance with applicable law and regulations and the accounting principles and policies set out in the Manual of Accounting Policies. Any material changes in criteria are submitted to the audit committee for approval. The Manual of Accounting Policies is updated annually. If there are substantial changes in prevailing legislation, it must be updated immediately.

8.5.2.- Measures for capturing and preparing financial information

Bankinter Group's systems are fully integrated for the most part. Once transactions are recognised, they are automatically recorded in accounting records and inventories are updated accordingly.

The automated accounting is parametrised and defined following review and verification, by the Accounting Definition department (part of the Finance area) so as to ensure compliance with applicable laws and regulations and with the Group's own accounting policies.

The consolidation of the Group's financial statements is a fully automated process that is based on the use of a standard tool that is fully integrated within the internal systems.

All the subsidiaries included within the Bankinter Group scope report their financial statements to the Finance area of the parent company on a monthly basis in accordance with the Group's accounting plan.

The Hyperion tool, which standardises and harmonises accounting information and consolidation of the perimeter of the consolidated Group, is used for accounting consolidation purposes.

8.6.- Supervision of the functioning of the system

8.6.1.- Supervision of ICFR and scope

Pursuant to the rules and regulations of the board of directors of Bankinter, S.A., the Internal Audit division reports to the audit committee but is functionally attached to the chair of the board of directors, thus ensuring the independence, autonomy and Group-wide remit of the internal audit function.

In accordance with these regulations and the corporate by-laws of Bankinter, S.A., the remit of the audit committee includes: supervising and controlling the Company's operations and the accuracy, objectivity and transparency of its accounting records; supervising the process of drawing up and the integrity of financial information and the internal control systems, ensuring compliance with regulatory requirements and the correct application of accounting rules and standards. It also has the duty to promote and periodically review the sound operation of adequate internal control systems to ensure the proper management of Company risks; and to verify the integrity and consistency of the quarterly and half-yearly financial statements of the Bank and the Group, and the annual financial statements, notes to the financial statements and management report prior to their approval by or submission to the board of directors and their eventual release.

Significantly, Internal Audit presents the audit committee with a quarterly report verifying the accuracy of Bankinter Group's consolidated income statement, with the support of the external auditor. The same applies to the half-yearly report on the income statement.

In accordance with the internal audit charter approved by the audit committee, Internal Audit is responsible for assessing the effectiveness of risk management and control, internal control, regulatory compliance and corporate governance processes, among others, providing added value and raising alarms if any changes need to be made, while recommending operational and organisational improvements. One of its main functions is to provide added value for the management bodies and other areas of the organisation with control functions, so as to further improve and consolidate the internal control system, control activities and procedures applied, without prejudice to the independence and autonomy of the internal audit function.

In relation to the internal control over financial reporting (ICFR) system, the rules and regulations of the audit committee of Bankinter, S.A., the current text of which was approved in May 2022 by the board of directors, state that the committee's remit also includes supervising the effectiveness of the Company's internal control, knowing, understanding and supervising the effectiveness of the internal control over financial reporting (ICFR) system and discussing with the auditor any significant weaknesses in the internal control system.

The audit plan of Bankinter Group's internal audit function envisions a Group-wide review and audit of ICFR over a three-year period. The 2024 audit plan, which includes a review of controls of the internal control over financial reporting (ICFR) system, was approved by the audit committee at a meeting held in December 2023.

In October 2023, the audit report for the review of the internal control over financial reporting system (ICFR) was issued, carried out based on the three-year review plan (2022-2024) prepared by means of an audit, which focused on the review of the design, implementation and monitoring of a sample of the controls included within the ICFR to evaluate their effectiveness.

The final report concludes that the control carried out on financial reporting is generally satisfactory, since it is well thought through and correctly reviews and reports on the controls included in the ICFR.

The findings of the review process have been reported to Bankinter Group's management team and submitted to the Group's audit committee. The observations arising from the audit are to be monitored closely in accordance with internal rules and regulations. A monthly follow-up report on the status of the observations and recommendations given as a result of both external and internal audit reports is made available to all audit committee members on the director website.

8.6.2.- Discussion procedure for significant weaknesses encountered and action plan

The rules and regulations of the board of directors state that the remit of the audit committee includes discussing with the auditors any significant weaknesses they may have detected in the internal control system when conducting their audit. It also states that the external auditors shall attend meetings of the audit committee whenever the committee's chair sees fit to invite them. They must always attend any meeting held to scrutinise their audit report on the Bank and the Group's annual and half-yearly

financial statements and annual control report, as well as any other meetings that may be held to verify earnings before the relevant reports are released.

In accordance with the law and the rules and regulations of the board of directors, the audit committee shall also: serve as a channel of communication between the board of directors and the external and internal auditors; evaluate the results of audit reports and compliance with the qualifications and conclusions found therein; and discuss with the auditors any significant weaknesses they may have detected in the internal control system when conducting their audit.

.The rules and regulations of the audit committee of Bankinter also state that the committee shall supervise Internal Audit, monitoring, among other things, the appropriateness of the conclusions reached by Internal Audit, the sound implementation of action plans in due course and timely reporting to the audit committee on how matters are progressing.

We would highlight that the action plans put in place to address the findings and recommendations given by both the internal and external auditor are subject to strict oversight and monitoring in accordance with the Internal Circular on Internal Audit Reports, the latest version of which was approved by the audit committee at its meeting of 21 June 2021. This Circular contains the general framework governing the management process for reports issued by Bankinter Group's internal audit function and the observations and recommendations included in those reports, as well as the binding action plans rolled out to mitigate the risks observed.

8.7.- Other relevant information: review by the auditor of information about the ICFR model

Audit firm PricewaterhouseCoopers Auditores, S.L., as auditor of the financial statements of the Bank and of Bankinter Group, conducts an annual review of the information sent to the market through the financial reporting system model described above. Attached hereto is the report of the auditor titled "Information relating to the Internal Control over Financial Reporting (ICFR) System" of Bankinter Group for 2023.

9.- OTHER ADDITIONAL INFORMATION

This annual corporate governance report was approved by the board of directors of the Company on the recommendation of the sustainability and appointments committee at its meeting held on **21/02/2024**.

State whether any directors voted against or abstained from voting on this report.

Yes

No

Table of cross references between the report and sections of the annual corporate governance report using the CNMV template.

Section in the CNMV template	Included in the statistical model	Line item in this report
A. OWNERSHIP STRUCTURE		
A.1	YES	2.1 Share capital
A.2	YES	2.2 Distribution of share capital by shareholder category
A.3	YES	2.2 Distribution of share capital by shareholder category
A.4	NO	2.3 Shareholders' agreements and other disclosures regarding relationships among shareholders
A.5	NO	2.3 Shareholders' agreements and other disclosures regarding relationships among shareholders
A.6	NO	4.3 Diversity in the board of directors
A.7	YES	2.3 Shareholders' agreements and other disclosures regarding relationships among shareholders
A.8	YES	2.2 Distribution of share capital by shareholder category
A.9	YES	2.2 Distribution of share capital by shareholder category
A.10	NO	2.2 Distribution of share capital by shareholder category
A.11	YES	2.2 Distribution of share capital by shareholder category
A.12	NO	2.1 Share capital / 3.2 Shareholder rights
A.13	NO	2.1 Share capital / 3.2 Shareholder rights
A.14	YES	2.1 Share capital
B. GENERAL MEETING		
B.1	NO	3.4 Annual General Meeting
B.2	NO	3.4 Annual General Meeting
B.3	NO	3.4 Annual General Meeting
B.4	YES	3.4 Annual General Meeting
B.5	YES	3.4 Annual General Meeting
B.6	YES	3.4 Annual General Meeting
B.7	NO	3.4 Annual General Meeting
B.8	NO	3.2 Shareholder rights
C. STRUCTURE OF THE COMPANY'S ADMINISTRATION		
C.1 Board of directors		
C.1.1	YES	4.2 Composition of the board of directors
C.1.2	YES	4.2 Composition of the board of directors
C.1.3	YES	4.2 Composition of the board of directors/4.3 Diversity in the board of directors
C.1.4	YES	4.3 Diversity on the board of directors
C.1.5	NO	4.3 Diversity on the board of directors
C.1.6	No	4.3 Diversity on the board of directors
C.1.7	NO	4.3 Diversity on the board of directors / 4.4 Director selection / 4.5 Appointment, re-election and removal of directors
C.1.8	NO	4.2 Composition of the board of directors
C.1.9.	NO	2.4 Authorisation to increase capital
C.1.10	NO	4.3 Diversity in the board of directors
C.1.11	YES	4.3 Diversity on the board of directors
C.1.12	YES	4.3 Diversity on the board of directors
C.1.13	YES	4.15 Remuneration received by the board of directors as a whole
C.1.14	YES	4.16 Members of senior management (excluding executive directors) and their total remuneration
C.1.15	YES	4.1 Rules and regulations of the board of directors
C.1.16	NO	4.4 Director selection / 4.5 Appointment, re-election and removal of directors
C.1.17	NO	4.14 Evaluation of the board and board committees

C.1.18	NO	4.14 Evaluation of the board and board committees
C.1.19	NO	4.5 Appointment, re-election and removal of directors
C.1.20	NO	4.9 Preparation and conduct of board meetings
C.1.21	YES	4.6 Director succession plans
C.1.22	NO	4.5 Appointment, re-election and removal of directors
C.1.23	YES	4.2 Composition of the board of directors
C.1.24	NO	4.9 Preparation and conduct of board meetings
C.1.25	YES	4.11 Number of board and board committee meetings in 2022/ 4.12 Director attendance
C.1.26	YES	4.12 Director attendance
C.1.27	YES	4.13 Audit
C.1.28	NO	4.13 Audit / 8.- Internal System of Control over Financial Reporting (ICFR)
C.1.29	YES	4.2. Composition of the board of directors
C.1.30	NO	4.13 Audit
C.1.31	YES	4.13 Audit
C.1.32	YES	4.13 Audit
C.1.33	Yes	4.13 Audit
C.1.34	YES	4.13 Audit
C.1.35	YES	4.9 Preparation and conduct of board meetings
C.1.36	NO	4.5 Appointment, re-election and removal of directors
C.1.37	NO	N/A
C.1.38	NO	n/a
C.1.39	YES	4.2.- Composition of the board of directors / 5.- Senior management
C.2 Board committees		
C.2.1	YES	4.10 Board committees
C.2.2	YES	4.3 Diversity in the board of directors
C.2.3	NO	4.10 Board committees
D. RELATED PARTY AND INTRAGROUP TRANSACTIONS		
D.1	NO	6. Related party and intragroup transactions
D.2	YES	6. Related party and intragroup transactions
D.3	YES	6. Related party and intragroup transactions
D.4	YES	6. Related party and intragroup transactions
D.5	YES	6. Related party and intragroup transactions
D.6	NO	6. Related party and intragroup transactions
D.7	NO	6. Related party and intragroup transactions
E. RISK MANAGEMENT AND CONTROL SYSTEMS		
E.1	NO	7.1 Risk management and control system of the company
E.2	NO	7.2 Bodies within the company responsible for preparing and executing the risk management and control system
E.3	NO	7.3 Main risks which may affect the achievement of business objectives
E.4	NO	7.4 Risk tolerance level
E.5	NO	7.5 Risks that materialised during the year
E.6	NO	7.6. Response and monitoring plans for the major risks to which the company is exposed
F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)		
F.1	NO	8.1 The entity's control environment in relation to financial reporting
F.2	NO	8.2 Assessment of financial reporting risks
F.3	NO	8.3 Financial reporting control activities
F.4	NO	8.4 Main characteristics of the process of drawing up financial information
F.5	NO	8.5 Information and communication
F.6	NO	8.6 Supervision of the functioning of the system
F.7	NO	8.7. Other relevant information: review by the auditor of information about the ICFR model
G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS		Statistical annex

DECREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:
 - a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
 - b) The mechanisms in place to resolve any conflicts of interest that may arise.

Not applicable

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chair of the board of directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:
 - a) Changes that have occurred since the last General Shareholders' Meeting.
 - b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its

website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders."

Complies

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:
 - a) Report on the auditor's independence.
 - b) Reports on the workings of the audit and nomination and remuneration committees.
 - c) Report by the audit committee on related party transactions

Complies

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chair of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its

content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:
- a) Should immediately distribute such complementary points and new proposals for resolutions.
 - b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
 - c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
 - d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Not applicable

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable;
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior managers favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or reelection of each director is submitted. The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies

Following the amendment of recommendation 15 of the Good Governance Code of Listed Companies in 2020, and considering the size of Bankinter's board of directors, the sustainability and appointments committee proposed to the board of directors a new target for the representation for women (currently the least represented gender) on the board of at least 40% by the end of 2022, in

line with this recommendation. Bankinter has again delivered this target early as since April 2021 45.5% of its board members are women.

Additionally, the latest appointment proposals that the Board has submitted to the Annual General Meeting to be held on 21 March 2024, once again raise the percentage of women on the board of directors to 64% (7), well above the targets set by both Bankinter and national and international recommendations and best practices.

Bankinter will become the only company in the IBEX35, which will have two women in the bank's main administration and management roles (non-executive chairwoman of the board of directors and chief executive officer). The rest of the directors (5) are independent external directors.

16. That the number of proprietary directors as a percentage of the total number of nonexecutive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies

Independent directors currently represent 54.5% of Bankinter's board of directors.

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.

c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.

d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.

e) Company shares and share options that they own.

Complies

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies

25. That the appointments committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chair wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies

33. That the chair, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chair and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chair.

Complies

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

- a) The quality and efficiency of the Board of Directors' work.
- b) The workings and composition of its committees.
- c) Diversity in the composition and skills of the Board of Directors.
- d) Performance of the chair of the Board of Directors and of the chief executive officer of the company.
- e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies

39. That the members of the audit committee, in particular its chair, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chair of the Board or of the audit committee.

Complies

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

- a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to

corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

- b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
- c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
- d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

- a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.
- b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.
- c) Ensure sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
- d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.
- e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies

- 43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies

- 44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies

45. That the risk management and control policy identify or determine, as a minimum:

- i. The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
- ii. A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
- iii. The level of risk that the company considers to be acceptable.
- iv. Measures in place to mitigate the impact of the risks identified in the event that they should materialise.
- v. Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

- a) Ensuring the proper functioning of risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies

48. That large-cap companies have separate nomination and remuneration committees.

Complies

49. That the nomination committee consult with the chair of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

a) Proposing the basic conditions of employment for senior management to the Board of Directors.

b) Verifying compliance with the company's remuneration policy.

c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies

51. That the remuneration committee should consult with the chair and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

a) That they be composed exclusively of non-executive directors, with a majority of independent directors.

b) That their chairpersons be independent directors.

c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.

- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and the minutes be made available to all directors.

Complies

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies

54. The minimum functions referred to in the foregoing recommendation are the following:
- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
 - b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
 - c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
 - d) Supervision of the company's environmental and social practices to ensure they are in alignment with the established strategy and policy.
 - e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.

Complies

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.

c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies

Under regulations applicable to credit institutions, clauses for the deferral (for five years in 2023) of payment are applied to variable remuneration of executive directors, payment in shares (of at least

50% of variable remuneration), ex-post adjustments to remuneration and withholding and balancing periods with respect to fixed remuneration.

And Bankinter's executive directors have a net economic exposure for an amount that is much greater than twice the amount of their fixed annual remuneration through the ownership of shares, options or other instruments.

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies

The severance payments for the chief executive officer and the chief executive officer set out in their contracts with Bankinter apply solely to cases similar to those defined in the Workers' Statute for ordinary employment relations. They feature a severance limit that may not, under any circumstances, exceed the limit set in labour regulations for all Bankinter employees. Pursuant to best corporate governance practices, severance payments shall not exceed twice the amount of total annual remuneration. No severance payments of any kind have been established for the non-executive chair and other board members in the event of their removal for any reason.

In any case, there is no right to receive severance payments relating to changes of control within the bank.

Since this is not a provision for severance payments on termination of the relationship that links the director with the bank in any of the cases in section C.1.39, as expressly referenced in this recommendation, it is stated, both in this recommendation and in the aforementioned section, that a post-contractual non-competition commitment is only included in the CEO's contract, for a period of 18 months starting from the date of termination of the commercial contract, whereby the CEO undertakes not to carry out work activities or provide professional services, on their own behalf or on behalf of others, that coincide with those of the Bank or companies in its Group. Compensation for the non-competition clause consists of a sum equal to 50% of the last total annual fixed

remuneration approved by the board of directors, which will be paid once the 18-month period has elapsed. This is compensation for the assumption of obligations that arise specifically once that relationship has been ended and where compensation is envisaged at the end of the non-competition period.

The chief executive officer is the only beneficiary of contributions to a pension scheme. However, the rights derived from those obligations are not vested at the time of termination of the contractual relationship with the Company, but only when one of the contingencies specifically provided for such vesting in accordance with the Policy and Regulations of the Bankinter senior management pension scheme is met: retirement, death or disability. Payment is not associated with termination for any reason.

Indicate whether any director voted against or abstained from approving this report.

No

I declare that the details included in this statistical annex coincide and are consistent with the descriptions and details included in the annual corporate governance report published by the company.