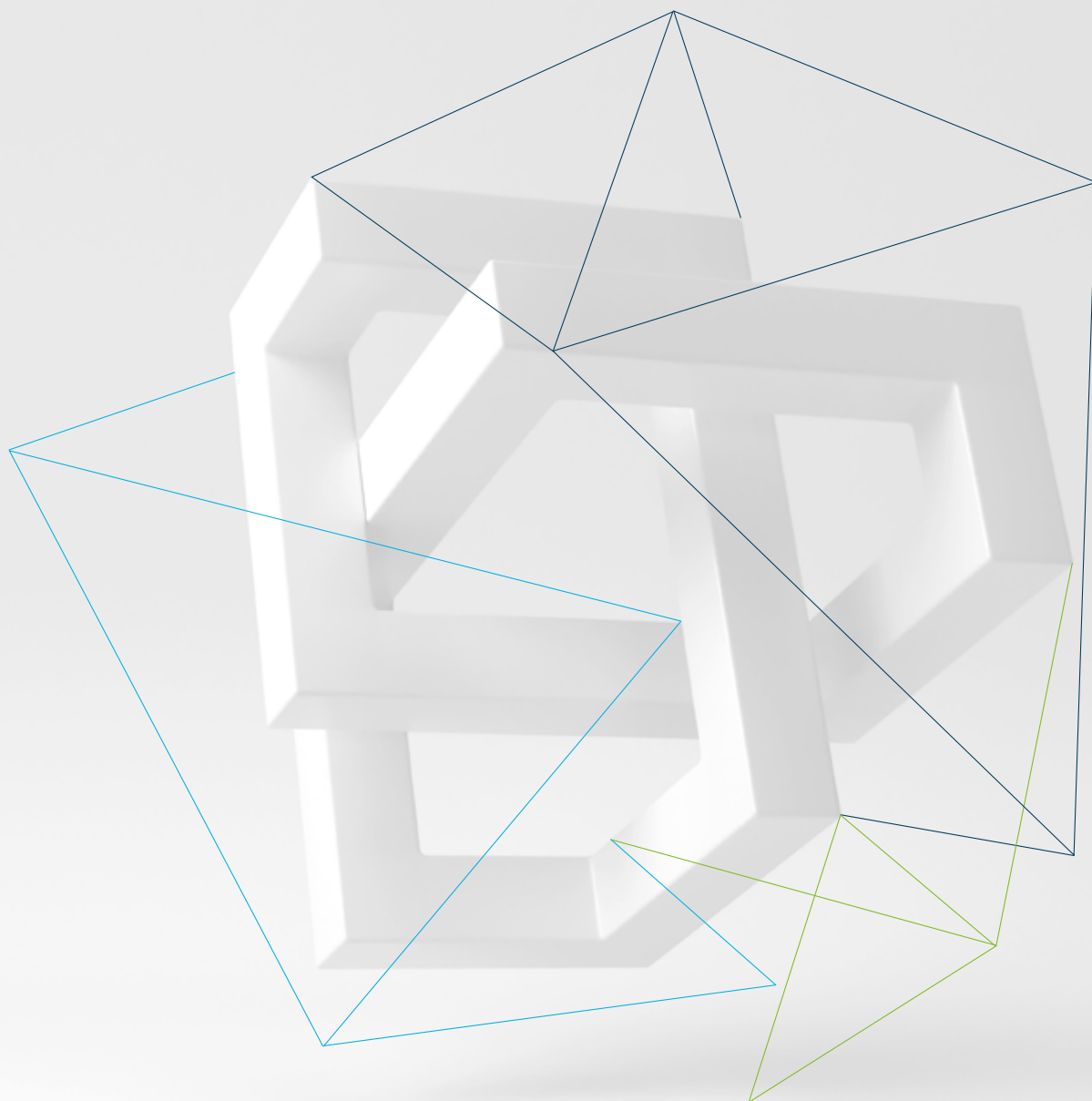




Annual
Report
2022¹



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Annual Report 2022



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Introduction

CECA and our member entities feel socially responsible. For us, acting in consequence is inextricably linked to our identity; it is our vocation

▶ We are facing a time of deep-lying changes. Trade wars, pandemics, the Russia-Ukraine conflict, high rates of inflation and energy shortages have shifted many of the certainties we held about our world at the start of the 21st century. In recent years, we in the banking sector have also been confronted with a chain of financial crises, an unprecedented movement in interest rates and drastic reforms in regulatory frameworks. The banking and global challenges ahead of us are huge. We are living in a complex scenario in which urgent, short-term adversities are combined with significant transformations in the medium and long term. Our framework for action is determined on several fronts: technological innovation, especially linked to artificial intelligence; demographic evolution, characterised by a gradual ageing of the world's population; climate change, which poses a major threat not only to economic stability but also to social welfare and life on the planet; strained international political relations, impacting on the economy and markets; social tensions in several countries, closely intertwined with rising inequality and poverty; and the intensification of monetary and financial cycles.

The CECA sector is no stranger to all such realities. We are at a turning point in the history of our sector in which we are called upon to build more flexible and resilient systems, capable of adapting to events and assuming a capacity for strategic self-management. These times remind us of the importance of remaining true to our principles. Being rooted in the local communities in which we are active and acting responsibly towards global society as a whole and the people in it are the cornerstones of our principles. All this translates into our approach to banking: CECA and our member entities feel socially responsible. For us, acting in consequence is inextricably linked to our identity; it is our vocation. We are aware that the banking sector can offer fundamental support to society as it adapts to a constantly changing world. For this reason, in this environment of multiple challenges, we join forces to adopt formulas that have a positive impact on society and the environment.

The transformation that the CECA sector has undergone in the last few years has been achieved while maintaining the commitment to the values that identify the member entities of the World Savings and Retail Banking Institute (WSBI): These values are structured around what are known as the three “Rs”: retailers (retail), rooted within their territory (rooted) and

aimed at returning value to society and financial inclusion (responsible). This is shown by the way we do banking and our track record at the forefront of corporate social responsibility, where financial inclusion is our hallmark and philanthropic actions mark our roadmap.

In these times of growing inequalities, our profound service to the poorest is more important than ever. As a result of this commitment, CECA has once again become the largest private social investor in Spain with an investment of 800 million euros in 2022. Thanks to this endowment, more than 72,000 activities have been conducted, benefiting more than 32 million people, especially the most vulnerable groups. Such is its importance that the President of the Spanish Economic and Social Council, Antón Costas, stressed at the opening of CECA's Foundations and Obra Social Committee, held in March 2022, that: "CECA's Obra Social is the second pillar of the welfare state in Spain. An essential pillar for the promotion and support of civil society initiatives in favour of the most vulnerable groups in our society".

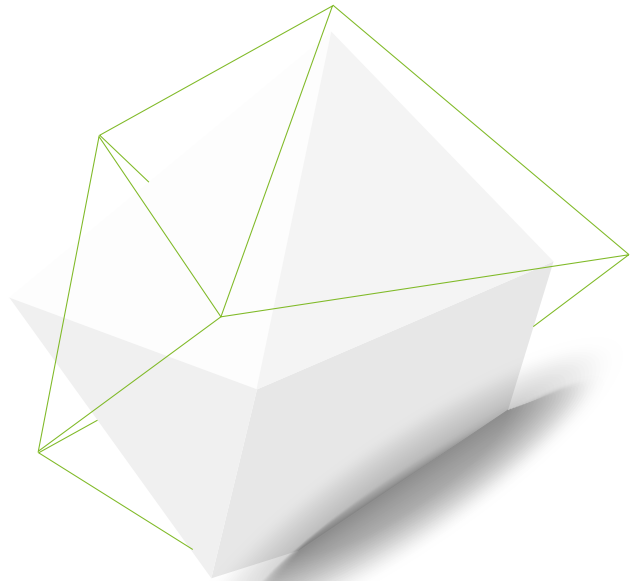
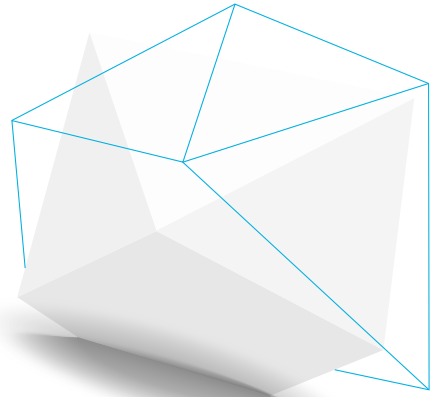
We know that financial inclusion is the prelude to social inclusion, which is why we have been proactively pursuing a range of initiatives to help accelerate progress towards an inclusive economy for years. Committed to society and sustainability, CECA member entities are also aware of the importance of promoting financial inclusion in all sectors of society, especially in rural areas and among vulnerable groups. Throughout 2022, we have continued to work together intently to convey our performance as a global financial phenomenon at the service of people.

Having a purpose —understanding the context, developing stable and lasting relationships and being consistent in what we do— is key at this time. The CECA sector entities have continued to do a great job, joining together to offer differential solutions, supporting their customers and making a positive contribution to society. Today, our only certainty is that changes are fast, constant and often unexpected. And we will be prepared for them. We are driven by a firm determination to contribute to a better world, and we are called upon to continue to conduct banking with a profound sense of social responsibility and to make a more prosperous, sustainable and equitable society a reality.

Financial inclusion is the prelude to social inclusion, which is why we have been proactively pursuing initiatives to help accelerate progress towards an inclusive economy for years

About US

CECA is a banking association committed to representing, defending and promoting its member entities' interests.

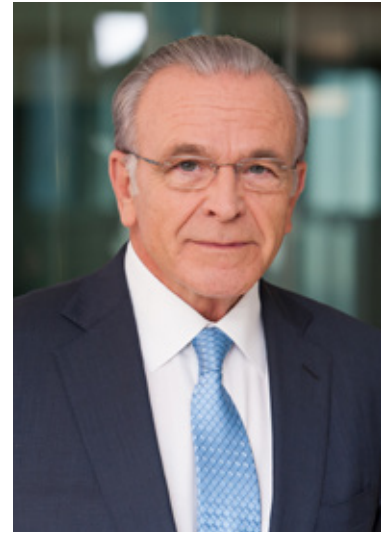


1.1. Our mission

→ In addition to defending the interests of its member entities, CECA provides them with advice and supports in their aim to offer services that promote financial inclusion and access to credit. This work is undertaken with a sustainable approach, notably featuring Obra Social and financial education.

CECA is an active member of the international associations representing the model of retail banking which gives priority to funding for families and SMEs, a model with which CECA member entities feel fully identified.

Isidro Fainé, Chairman of CECA and of “la Caixa” Foundation, is the Chairman of the World Savings and Retail Banking Institute (WSBI) and Deputy Chairman of the European Savings and Retail Banking Group (ESBG).



□ Isidro Fainé is Chairman of the WSBI and Deputy Chairman of the ESBG.



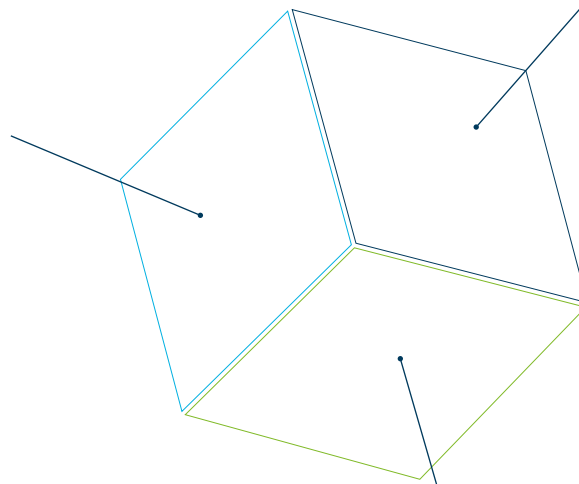
This model, which identifies all WSBI entities, is characterised by the so-called **3Rs.**



Rooted
Rooted in the community. Linked and committed to the development of the territories in which they operate.



Retail
Focused on financing for families and SMEs.



Responsible
Identified with sustainability and Obra Social.

1.2. Who we represent

CECA's current members include credit institutions, banking foundations and ordinary foundations associated with the banking sector.



ATMs
17,869



Branches
7,630
43% of the SFS



Employees
58,590
37% of the SFS*

Retail credit
416,454
million euros



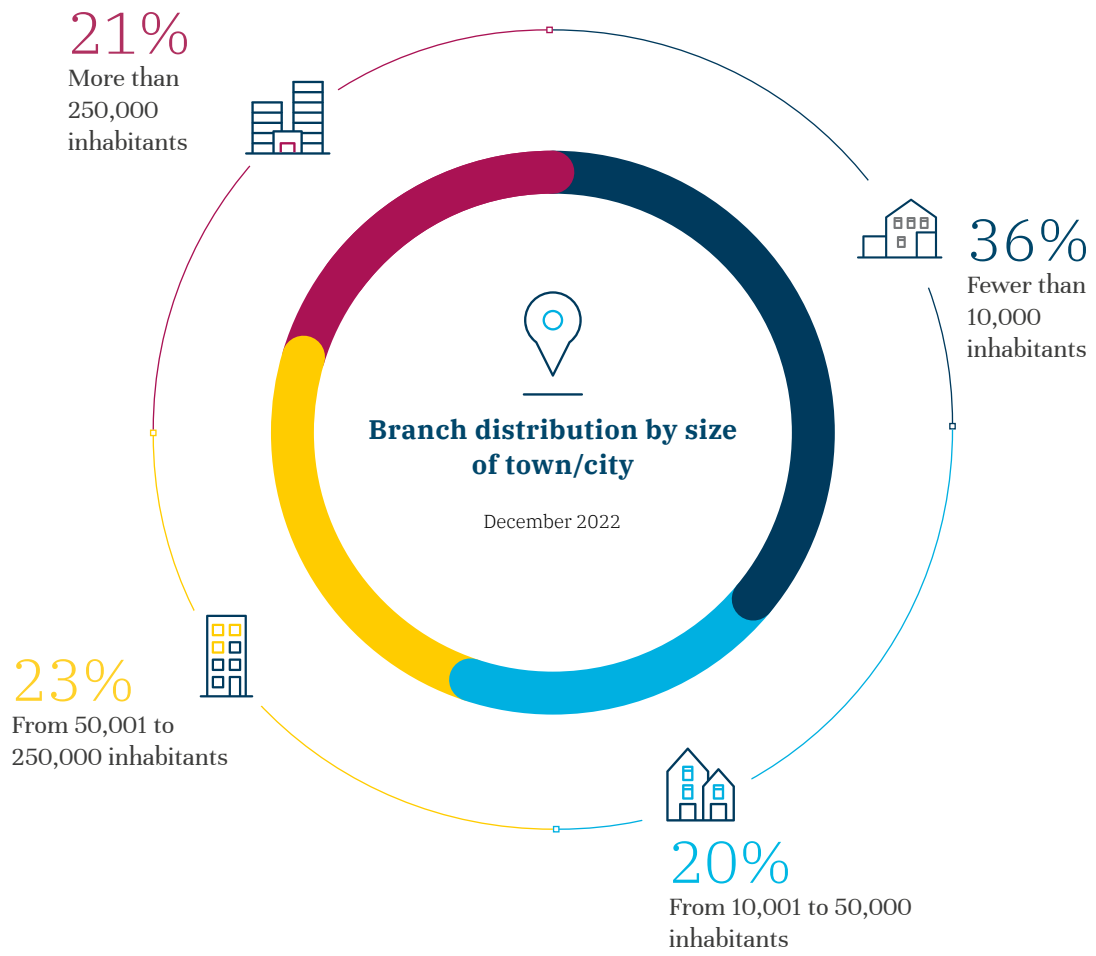
36% of the SFS*



Total assets
805,845
million euros
28% of the SFS*



Retail deposits
511,375
million euros
39% of the SFS*

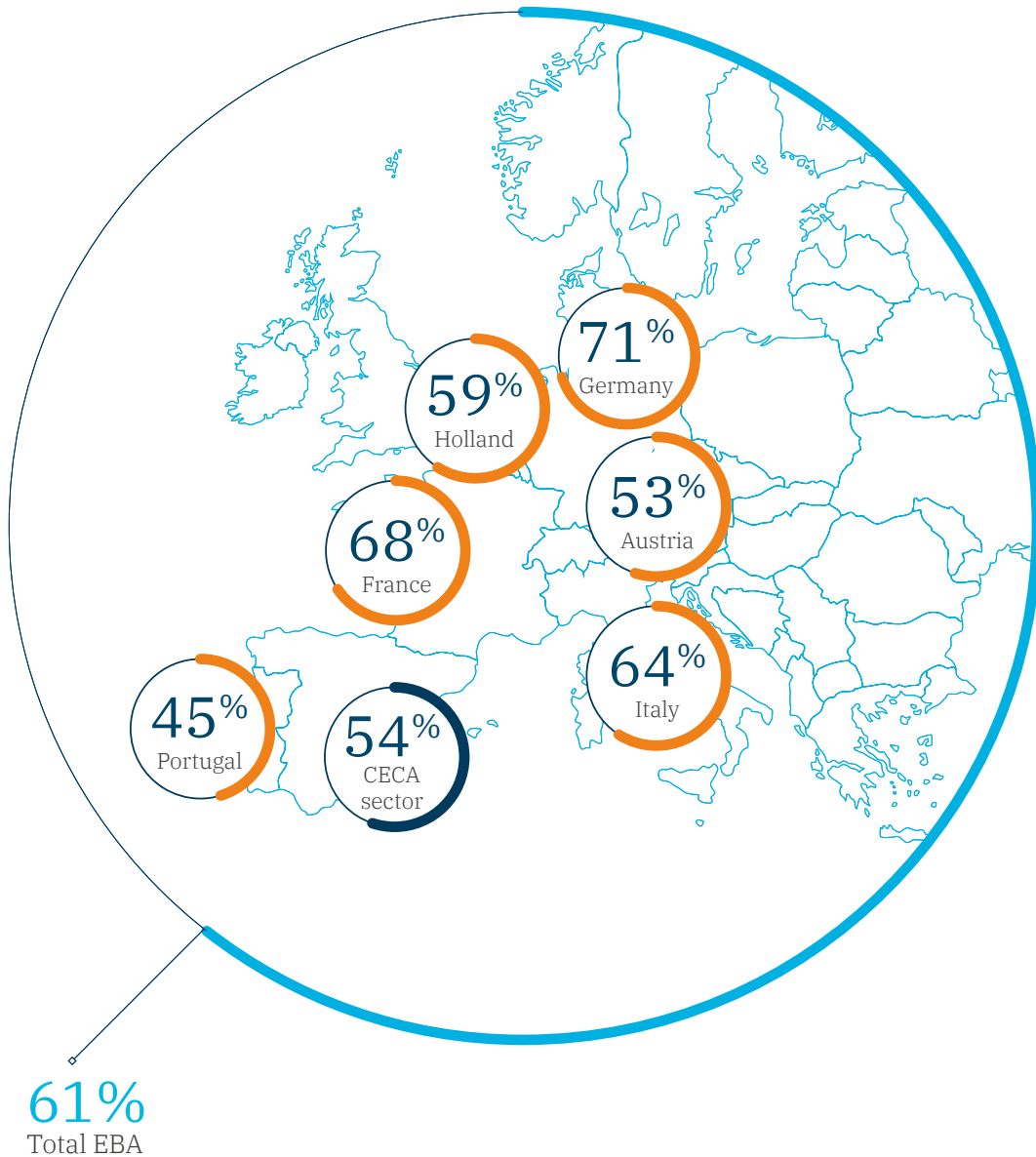




Efficiency

Operating expenses over gross income

September 2022
(Source: EBA)





CET1
13,4%
CECA SECTOR

December 2022

1.3. List of member entities

Credit institutions



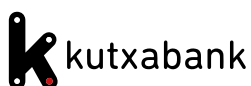
CaixaBank, S.A.



Unicaja Banco, S.A.



ABANCA Corporación
Bancaria, S.A.



Kutxabank, S.A.



Ibercaja Banco, S.A.



Cajasur Banco, S.A.U.



Caja de Ahorros y Monte
de Piedad de Ontinyent,
Caixa Ontinyent



Colonya Caixa Pollença



Cecabank, S.A.

Banking foundations



Bilbao Bizkaia Kutxa
Fundación Bancaria -
Bilbao Bizkaia Kutxa
Banku Fundazioa



Caja de Burgos, Fundación
Bancaria

Fundación Cajastur

Fundación Bancaria Caja
de Ahorros de Asturias



Fundación
Bancaria Ibercaja



Fundación Bancaria
Kutxa - Kutxa Banku
Fundazioa



Fundación Bancaria
"la Caixa"



Fundación
Unicaja

Fundación Bancaria
Unicaja



Fundación Bancaria Vital

Ordinary foundations



Fundación Galicia Obra
Social Afundación



Fundación Ávila



Fundación Bancaja,
Fundación de la Comunitat
Valenciana



Fundación Canaria Caja
General de Ahorros de
Canarias - Fundación
CajaCanarias



Fundación Caja de Ahorros
de Santander
y Cantabria



Fundación Caja de Ahorros
de Castilla-La Mancha



Fundación Caja de Ahorros
y Monte de Piedad de
Extremadura



Fundación Caja de Ahorros
de la Inmaculada de
Aragón



Fundación Caja de Ahorros
de Murcia



Fundación Caja General
de Ahorros de Granada
(CajaGranada Fundación)



Fundación
Caja Navarra



Fundación Privada Monte
de Piedad y Caja de
Ahorros San Fernando
de Huelva, Jerez y Sevilla
(Fundación Cajasol)



Fundación
Caja Rioja



Fundación
Caja Segovia



Fundación Canaria
La Caja Insular de
Ahorros de Canarias



Fundación Círculo
Burgos



Fundación Especial
Pinnae



Fundación Mediterráneo



Fundación Obra Social y
Monte de Piedad de Madrid
(Fundación Montemadrid)



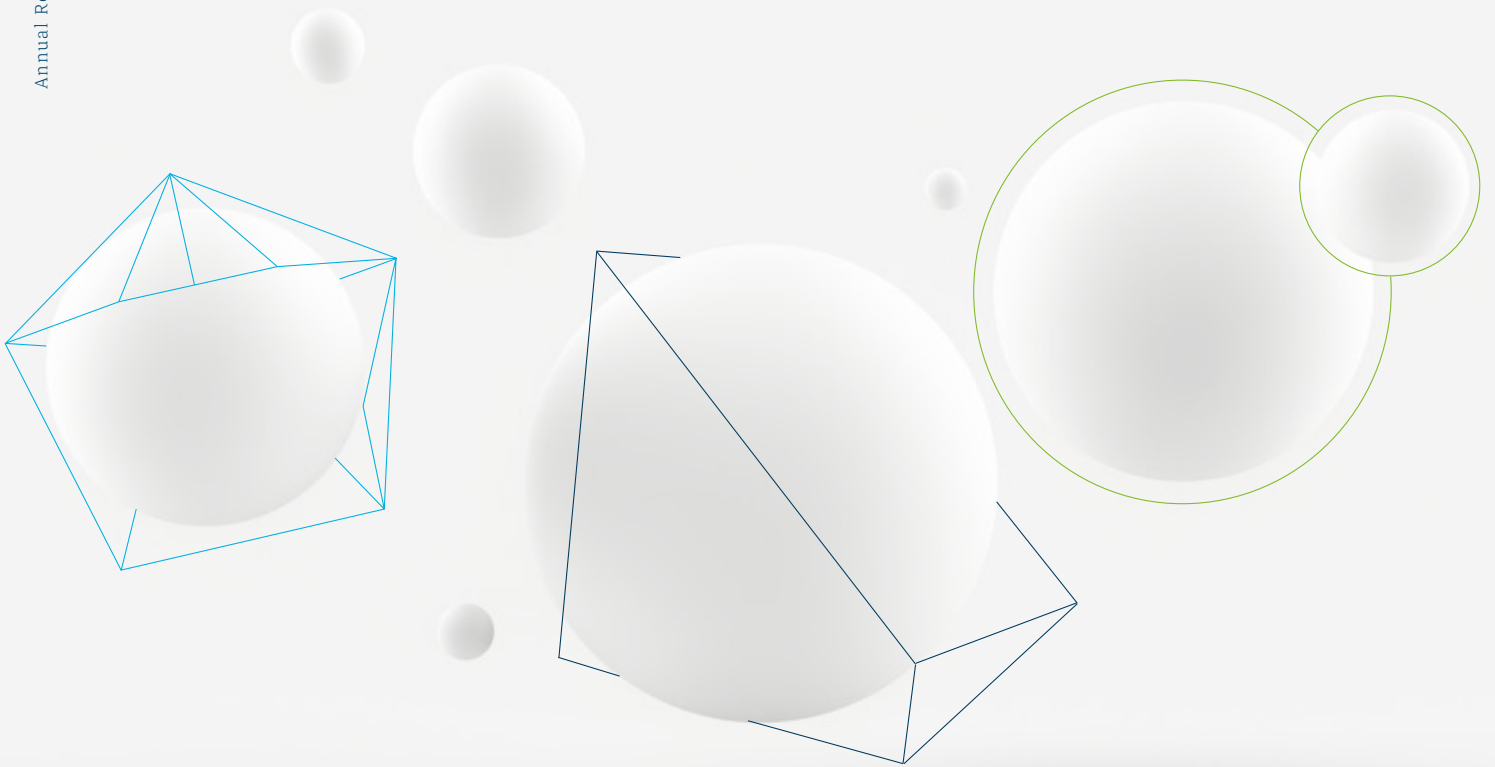
Fundación Obra Social
de Castilla y León



Fundació Sa Nostra Caixa
de Balears

what we do

Our activity is divided into four main areas.





2.1. Our activity



2.1.1. Institutional representation



□ On the left, José María Méndez, CEO of CECA, moderating the panel “Global Pandemic Recovery Plans” at the WSBI World Congress.

▶ One of CECA’s core pillars of activity involves **representing and defending the interests** of its associated entities, and to this end, it is present in many forums in Spain and around the world.

To exercise this function, CECA pursues dialogue with national and international public administrations, parliamentary groups, trade union organisations, other business and social organisations and the media.

CECA has focused a major part of its efforts on supporting institutions in their contribution to **the country’s economic recovery**. It has thus collaborated in implementing measures to cushion the impact of the various economic shocks in an increasingly complex environment.

CECA has focused a major part of its efforts on supporting institutions in their contribution to the country’s economic recovery

Alliances

<p>WSBI World Savings and Retail Banking Institute</p>	<p>ESBG European Savings and Retail Banking Group</p>	<p>fin resp Centro de Finanzas Responsables y Sostenibles</p>	<p>FINANCE UNEP INITIATIVE United Nations Environment Programme Finance Initiative</p>
<p>Pacto Mundial Red Española Red Española del Pacto Mundial de las Naciones Unidas</p>	<p>COP25 CHILE MADRID 2019 Conferencia de la ONU sobre el Cambio Climático</p>	<p>Pacto digital de la Agencia Española de Protección de Datos para la protección de las personas</p>	<p>Plan Nacional de Educación Financiera</p>
<p>Finanzas Para Todos Finanzas para Todos</p>	<p>funcas educa Programa Funcas de Estímulo de la Educación Financiera</p>	<p>Orfin Observatorio de la Realidad Financiera</p>	<p>apm Asociación de la Prensa de Madrid Asociación de la Prensa de Madrid</p>
<p>Día de Internet Día de Internet</p>	<p>EBI European Banking Institute European Banking Institute</p>	<p>IIF INSTITUTE OF INTERNATIONAL FINANCE Institute for International Finance</p>	<p>Fundación Amigos Museo del Prado Fundación Amigos del Museo del Prado</p>
<p>Fundación Carolina Fundación Carolina</p>	<p>Fide Law Economy Technology Fundación para la Investigación sobre el Derecho y la Empresa</p>	<p>Aula financiera y digital Aula Financiera y Digital</p>	<p>Observatorio de Inclusión Financiera Observatorio de Inclusión Financiera</p>

Recovery Plan

Since the approval of the NextGenEU plan, CECA has advocated that the sector should have an important role in its practical implementation, which, in the case of Spain, involves taking an active role in rolling out the National Recovery, Transformation and Resilience Plan. This is without doubt a complex task, given its high volume (around 11% of GDP).

In the past year, this plan has resulted in the fulfilment of 20% of the reforms and investments committed. These milestones include the development of several PERTES or driving force plans which in 2022 have been monitored by CECA through a permanent dialogue with the heads of the respective ministries.

Financial inclusion

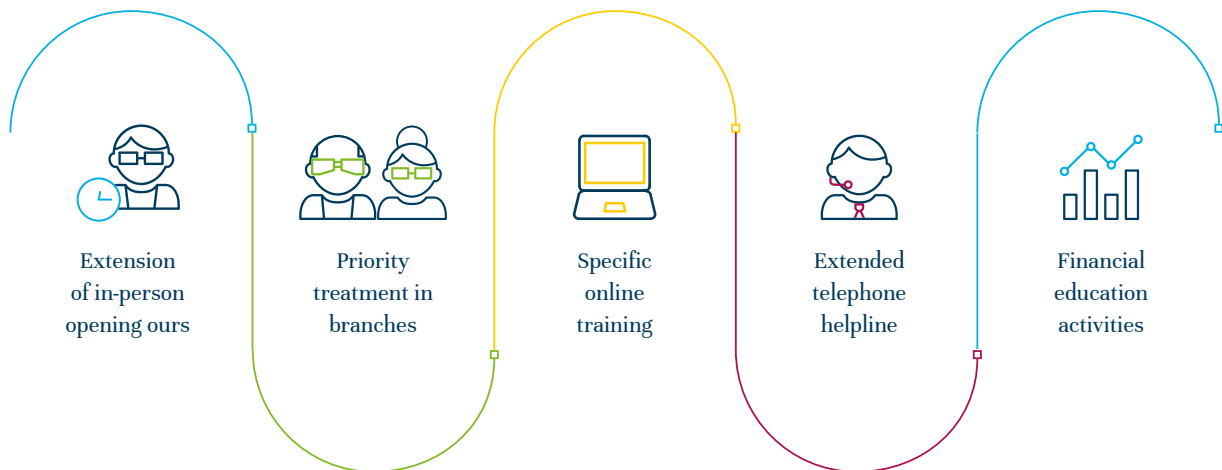
In 2022, CECA has been especially responsive to the concerns most strongly expressed by society, such as the significant demographic and digital divide challenges, which have an impact on the provision of all kinds of services: healthcare, education, culture, as well as banking. The elderly are among those potentially most affected by these challenges.

The banking sector is well aware that the elderly are a group that constitutes the backbone of society, who make valuable contributions to family and social well-being. It therefore places great emphasis on improving the service it offers this collective, both personally and digitally.

With the aim of contributing to accelerate progress towards an inclusive economy and not leaving any group unattended, the Spanish Banking Association (AEB), the National Union of Credit Cooperatives (UNACC) and CECA have adopted a **decatalogue of measures to advance in the short term in personalised customer service for the provision of financial services to the senior segment and those with disabilities.**

The main measures of the decatalogue are:

The banking sector devotes special attention to older people with the goal of improving the service it offers them, both personally and digitally



The banking sector thereby reasserts its firm commitment to constantly improve its customer service, especially for senior citizens, who are already benefiting from specific measures, such as the advance payment of pensions, physical and digital accessibility programmes, or the availability of branches within non-financial institutions to carry out various operations in municipalities without a branch, among many others.



Presentation of the roadmap to reinforce financial inclusion in rural areas.

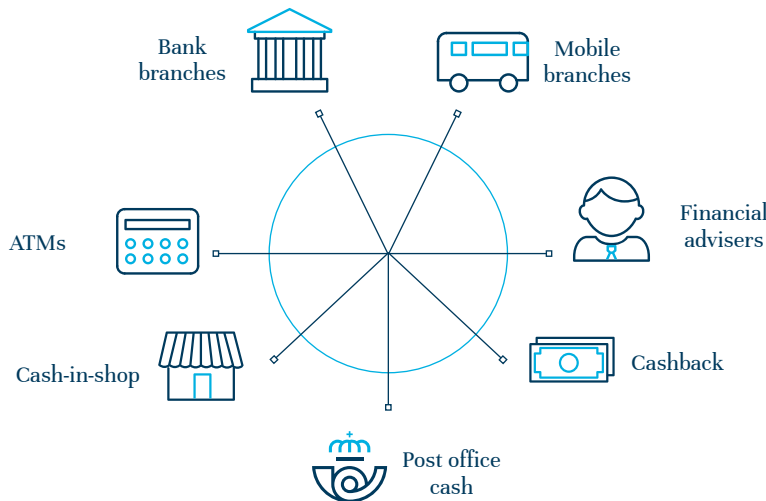
This responsibility borne by the sector is reflected in the **Monitoring Report on measures to improve personalised care for the elderly or people with disabilities**, which was prepared in 2022 and will be updated regularly to report on the implementation of the measures committed to.

Another challenge stemming from a social issue is that of depopulation in Spain, which also affects the provision of all kinds of services in our country. The banking sector is mindful of this context and is strengthening financial inclusion in these areas by means of a new framework of commitments to rural Spain, which will be structured in full compliance with competition rules.

The sector employers' associations AEB, UNACC and CECA have unveiled a **roadmap to reinforce financial inclusion in rural areas**, with the aim of ensuring an adequate provision of face-to-face financial services for 100% of Spanish territory.



Signing of the agreements with Correos (Spanish Postal Service). On the left, José María Méndez, CEO of CECA.



Spain has one of the densest banking networks and is the second country in the eurozone with the most access points per capita to banking services

It is proposed that the implementation of the planned actions be undertaken within a broad framework of **public-private collaboration**, in order to find the most efficient solutions to the heterogeneity of the casuistry in the rural environment in Spain. Following a number of negotiations with the authorities and various national partners, the key measures agreed have been as follows:

- In those municipalities with more than 500 inhabitants where there is no face-to-face access point to financial services, the commitment is undertaken to ensure service through a bank branch, an ATM, a mobile branch and a financial agent.
- In municipalities with less than 500 inhabitants, as well as the previous solutions, cashback or cash-in-shop solutions for cash withdrawals via state-of-the-art point-of-sale terminals (POS) are offered, so that they can even increase their capabilities in the medium term and provide access to a wider range of services.
- In addition, the rural postal service is offered, through the Correos Cash service, under the terms of the collaboration agreement that AEB, UNACC and CECA signed with the Spanish Postal Service on 20 July.

The planned actions must be undertaken within a broad framework of public-private collaboration

The information on accessibility to financial services in Spanish municipalities is based on the **“Report on financial inclusion in Spain”**, prepared by the IVIE (Valencian Institute of Economic Research) and presented by the banking associations in July 2022, which puts the percentage of the population residing in a municipality where there is at least one access point to banking services at 98.6%.

After signing the roadmap, the banking associations AEB, UNACC and CECA have gone a step further by creating the **Observatory for Financial Inclusion**, which was created in order to gather together the commitments made and the solutions proposed by the banking sector to guarantee access to financial services for the entire Spanish people, paying special attention to rural areas and vulnerable groups.



□ Joaquín Maudos, Deputy Director of Research at Ivie, presents the *Report on financial inclusion in Spain*.

International activity: WSBI and ESBG

CECA is a member of ESBG and WSBI, which represent the interests of 6,400 companies worldwide.



The link between CECA and the WSBI responds to the task of representing and defending the interests of its member entities, and to this end they are present in international forums. The WSBI focuses on international regulatory issues affecting the financial industry and provides a platform for knowledge sharing among member entities.

The Chairman of CECA and the la Caixa Foundation, Isidro Fainé, has renewed his mandate as **Chairman of the World Institute** in 2022, coinciding with the WSBI World Congress.

The **World Congress** was held in Paris on 7 and 8 July under the title “Rooted in the community. Globally responsible”, thus underlining the 3Rs model of WSBI—retail, responsible and rooted—as a necessary strategy to build a more inclusive and sustainable society.

Leading financial experts from various jurisdictions discussed a variety of topical issues, such as regulatory harmonisation in sustainable finance; digitalisation and its impact on financial inclusion; and the broad scope of social responsibility in current global environments of recovery and geopolitical change.

Isidro Fainé, Chairman of CECA, and José María Méndez, CEO of CECA, took part as keynote speakers on behalf of CECA; and Funcas was represented by Santiago Carbó, Director of Financial Studies and Executive Director of the Financial Digitalisation Observatory. CECA was also a sponsor of this event and provided assistance in the dissemination and organisation of the event.

During the meeting, the WSBI members approved the **Paris Declaration 2022**, a document that calls for the promotion of sustainable finance to guarantee the economic resilience of the communities in which they operate. Driven by the global perspective of the WSBI, the statement invites regulators to coordinate and harmonise different taxonomies by providing

The link between CECA and the WSBI reflects the task of representing and defending the interests of its member entities



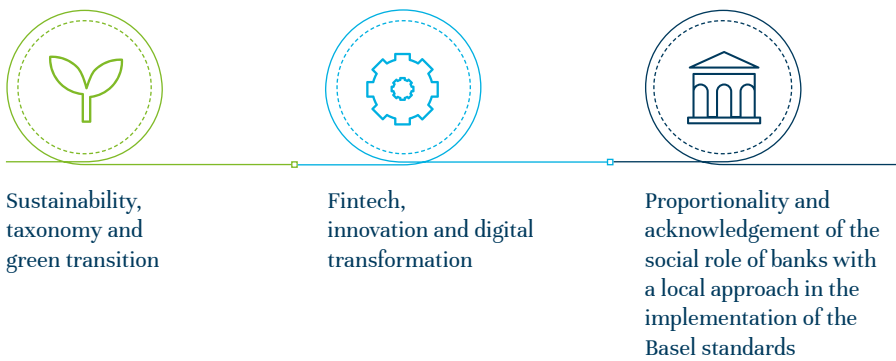
Isidro Fainé, Chairman of CECA and WSBI, at the 26th World Congress.



From left to right: José María Méndez, CEO of CECA, Dominique Goursolle-Nouhaud, Chairwoman of ESBG, José Manuel Campa, Chairman of the EBA, Peter Simon, CEO of WSBI, and Isidro Fainé, Chairman of WSBI.

design principles that foster interoperability and mutual recognition. Such a measure can help promote sustainable cross-border finance as well as reduce compliance costs.

The Committee of Chairpersons and the Board of Directors of ESBG and WSBI, in which CECA is involved, have worked extensively this year on the core issues of the global economic and financial agenda. In the work plan designed for 2023 it has been determined that the “WSBI 2023” strategy should reflect the identity and strength of the World Institute, and will therefore focus on:



Particularly important on the international agenda were the annual meetings of the International Monetary Fund and the World Bank, held in Washington, which were attended by CECA representatives, its Chairman, Isidro Fainé, and CECA’s CEO, José María Méndez. As part of this, CECA representatives held a meeting in Washington with Rebeca Romero, President and CEO of the Independent Community Bankers of America (ICBA) to explore formulas for financial inclusion, mainly in the most depopulated areas. Another matter addressed was the importance of sustainable finance, and the role of banking in an environment of high inflation and market volatility was discussed, as well as measures to support vulnerable groups.

ICBA is a leading member of WSBI. It represents the interests of more than 5,700 community banks in the United States. Community banks, with nearly 50,000 locations, are the only physical banking presence in one out of every three counties in the United States, giving them a vital role in the US economy.



▣ Meeting of the ESG/WSBI Coordination Committee, held in Seville.

In relation to the various ESG committees and working groups, CECA is represented on all of them. These groups work in all the sector’s areas of activity, and CECA has also played an active role in preparing joint positions related to the current political and regulatory situation. In 2022 a new cybersecurity group was created (Cybersecurity Network). Within these groups, CECA holds the chairmanship of the Prudential and Supervision Committee and the Banking Technology Network.

CECA’s chairmanship of the ESG/WSBI Coordination Committee was also renewed, which coordinates the associated activities of the World Savings and Retail Banking Group and the European Savings and Retail Banking Group. This committee brought together representatives of banking associations from around the world in September 2022 for the 100th Coordination Committee; they were invited by CECA to the headquarters of the Cajasol Foundation in Seville to discuss the new challenges facing the sector in terms of international banking regulation. Martin Moloney, Secretary General of the International Organization of Securities Commissions (IOSCO), was also a guest speaker at the meeting.

Cecabank’s representative office in Frankfurt continues to provide support for CECA’s activities in the field of institutional representation in dealings with regulators and supervisors. The forums attended included the conference organised jointly by the European Central Bank (ECB) and the Single Resolution Board (SRB) in 2022 on the first decade of the Banking Union and the International Banking Forum (IBF) event regarding the development of the SSM (Single Supervisory Mechanism). CECA was also represented at the Dialogue with the Banking Industry Day and the Annual Conference on Bank Resolution held by the Single Resolution Board (SRB).

CECA maintains its representation in all the various ESG work committees and groups



▣ From left to right: José María Méndez, CEO of CECA, Rebeca Romero, Chairwoman and CEO of ICBA, Isidro Fainé, Chairman of WSBI, and Joan Rosàs, Director of International Financial Institutions, CaixaBank.

Corporate events

CECA has organised various corporate events with the aim of creating forums for debate and spaces for reflection and dissemination for the improvement of the banking sector and its contribution to society.

CECA has supported events held by the **Model of Economic Institutions (MEI)**, a non-profit association formed by university students, whose aim is to disseminate knowledge on the economy and international financial institutions among the university community. To carry out its mission, a simulation of global economic and financial institutions, such as the World Bank and the OECD, was held last November. The opening ceremony and MEI Forum sessions were held at CECA's headquarters.



Speakers at the Model of Economic Institutions (MEI) 2022 at CECA headquarters.

As regards sectoral collaboration, CECA again joined forces once again with AEB and UNACC in June to hold the 5th Sector Seminar on the Prevention of Money Laundering and Financing of Terrorism, which included experts from the authorities (SEPBLAC and the Directorate General of the Treasury) to explain the main developments and challenges for the sector in this field.

Furthermore, CECA fosters the interaction and exchange of experiences among its members through sector events, such as the 82nd Convention on Legal Advisors, held on 7 and 8 July. In this annual convention, which is organised by the Legal Committee, numerous presentations on legal affairs were held for the banking and financial sector.



5th Sector Seminar on the Prevention of Money Laundering and Financing of Terrorism.



82nd CECA Convention on Legal Advisors.

Communication plan

One of the priorities has been to raise awareness of the efforts made by the CECA sector to identify public-private cooperation frameworks that will lead to the recovery of economic and social welfare, highlighting the different actions to improve financial inclusion in Spain and the essential role of banking as a circulatory system for the economy through lending activity, prioritising financing for families and SMEs.

In that regard, of particular note are the website of the **Observatory for Financial Inclusion**, which strengthens access to financial services, and the **Financial and Digital Classroom** platform, which fosters financial education and digital skills; both sectoral initiatives have been jointly developed by the AEB, UNACC and CECA.

Furthermore, among the different measures for dissemination activated under the coordination of the communication managers of the “CECA entities”, the emphasis on customer service, the drive to digitalise our economy, the commitment to the ecological transition and investment in cybersecurity are of particular note. At the same time, special attention continued to be paid to the CECA sector’s *Obra Social* projects, financial education programmes and cooperation with third sector institutions; measures taken in defence of the most disadvantaged, in order to reduce the economic and social divide.

Another major milestone during 2022 was the sector initiative, together with AEB: “Solutions for all, solutions for you” This involves a series of videos showing the common effort of the banking sector to enhance access to financial services throughout the country, leaving no one behind, with a focus on rural Spain and senior citizens.



Observatory for Financial Inclusion

<https://observatorioclusionfinanciera.es/>

Financial and Digital Classroom

<https://www.aulafinancieraydigital.es/>



Solutions for all, solutions for you

Cooperation forums: Coordination Committee

The **Coordination Committee** is the catalyst and driving force behind the collaborative activity of CECA’s member entities. It also serves as an observatory to deepen the strategic vision anticipated in regulatory analyses and in the new requirements put forward by regulators and supervisors. Through it, they can channel and promote their common interests and joint projects.

Three committees report to this associative body: the **Payments and Regulatory Projects Committee**, the **Technology Committee** and the **Finance Committee** (currently being set up). Ten networks specialised in several areas of banking activity depend hierarchically on these committees. Below is a summary of the activities of these groups throughout 2022.





A. Payments and Regulatory Projects Committee

The Committee's priorities have been defined by the monitoring of various activities which can be divided into four blocks:

- The monitoring of regulatory initiatives, notably the review of the PDS2, the project on the regulation of immediate payments scheduled for 2023, the development of the new SPAA payment scheme and the evolution of the digital euro.
- Ongoing lobbying work was conducted on collaboration with public administrations (AEAT, TGSS, SEPE and CGPJ) in order to provide services for the collection of taxes and the payment of social benefits, as well as the development of operational services for the exchange of information and seizures. Note the technical migration project of the Tax Agency's NRC (Payment Reference Code).
- The TARGET T2-T2S integration project, extended by the ECB to March 2023, continued via a special working group.
- Also of note is the participation in the monitoring of the Code of Good Practices-ICO, provided for in Royal Decree-Law 5/2021, for the framework of renegotiation with customers subject to secured financing in the COVID facilities, where the Ukraine Facility has also been incorporated this year.

The following networks are also structured through this Committee:

▶ Compliance Network

The Regulatory Compliance Sector Committee has carried out its work in 2022 by addressing the matters of greatest concern to compliance managers. Accordingly, the Ukraine crisis and its impact from the standpoint of activity and its control, as well as the onboarding of Ukrainian refugees, have been core aspects of the lobbying action undertaken. Monitoring of the new European regulatory package on the prevention of money laundering and the meetings of the new AML Task Force (PBCFT) within the European Savings and Retail Banking Group (ESBG) were also key aspects of lobbying.

▶ Regulation Network

In 2022, monitoring was carried out on the regulatory agenda and CECA participated in various public consultations raised by the authorities on account of their importance for the sector, such as the proposal to amend the capital framework (CRR/CRD) to implement the completion of Basel III in the EU (known as the 2021 banking package), the preliminary draft law on the Independent Administrative Authority for the Defence of Financial Customers and the draft Bank of Spain Circular on information to be sent concerning covered bonds.

The Regulation Network met on a quarterly basis in order to review the lobbying activities undertaken, plan the forthcoming actions and prioritise the matters of interest for the coming months. For example, those conducted jointly with other national associations to defend the MiFID II incentive model in view of the upcoming review of the Directive.

Furthermore, the member institutions of the Regulation Network have taken part in meetings with both national and European authorities to address matters of interest —supervision and solvency, resolution, markets, retail and sustainable finance, among others— and to defend the sector's position on regulatory initiatives.

The Ukraine crisis and its impact have been core aspects of the lobbying action carried out

In 2022, monitoring has been carried out on the regulatory agenda and CECA has taken part in a number of public consultations raised by the authorities

→ SAC Network

The aim of the SAC Network, which comprises representatives of the Customer Service Departments (SAC) of CECA's member entities, is to pool their interests in this field and to tackle several issues of relevance to the entities, relating to the management and operation of these services, such as the rules of conduct of the entities with regard to customers. For this purpose, the network discusses draft legislation and new developments, including, in 2022, the draft law regulating customer care services.

→ Training Network

By monitoring the regulatory agenda, the training content required by regulators in the fields of conduct, sustainability, digital finance, marketing and advice on investment services and mortgage lending was identified, prepared and updated.

→ Sustainability Network

CECA has worked in a coordinated manner on the key topics on the national and international agenda, collaborating on numerous occasions with the regulatory, risk and business areas. Both CECA and its member entities understand that sustainable finance is a reality that is rapidly expanding and evolving at the pace of the evolving regulatory framework in Europe. In parallel, there is a need for the involvement of the financial sector to contribute to meeting the EU's green economy goals and the fight to combat climate change.

Sustainable finance is a reality that is rapidly expanding and evolving at the pace of the evolving regulatory framework in Europe



Work has been undertaken on regulatory monitoring at both national and European level, as part of the ESG working group for the response to EFRAG standards, on the Banning Products Produced Initiative, on taxonomy updates—which includes reporting on minimum safeguards—on the Green Bond Standards, on Corporate Sustainability Due Diligence (CSDD) and on the Sustainability Reporting Directive (CSRD).



B. Technology Committee

The most significant milestones in 2022 were the coordination of the Cooperative Cybergroup, which addresses issues related to cybersecurity, and the Niuron consortium sessions on blockchain. In this field, the latest developments were analysed, such as crypto trends, the various smart contract platforms and use cases for stablecoins and tokenisation.

In terms of cooperation projects in the field of technology, noteworthy is the analysis of the requirements of the MiCA (Markets in Crypto-Assets) regulation and its impact, as well as the MEF project to mitigate smishing fraud. Also of note is the analysis of possible cooperative approaches to the new Digital Operational Resilience Regulation (DORA), which will have an impact on the activity of financial institutions.

The Technology Committee's networks are:

▶ Digital Transformation Network

Work has continued on smart contract platforms, an ecosystem where blockchains such as Solana, Binance Smart Chain, Polkadot and Cardano are attempting to dethrone Ethereum as a global reference on which to execute decentralised applications. For this purpose, major meetings have been held and execution studies have been carried out on these technologies.

▶ Efficiency Network

Its activity has centred on implementing various lines of sustainability via projects in cooperation with the AEB and UNACC in order to establish common methodologies for consistency in the reporting of information on sustainability, required by supervisors on taxonomy, emissions and climate targets for both institutions and their customers and suppliers. Additionally, the real estate rating tool was presented in the Bank of Spain's sandbox in order to make the cost of updating mass appraisals more efficient.

A schedule of experience-sharing days has been set up between the entities to share best practices and identify common needs that could be tackled in cooperation with the consequent cost savings that this would entail.



C. Financial Committee

The Financial Committee is currently in the process of being set up. However, the following networks are coordinated through it:

▶ Tax Network

Its primary area of action in 2022 has focused on the new temporary bank levy for the years 2023 and 2024, which will be imposed on credit institutions and financial credit institutions operating in Spain whose total interest and fee and commission income for 2019 is equal to or exceeds 800 million euros. The amount required will be equal to 4.8% of the sum of net interest income and fee and commission income and expenses arising from the activity carried out in Spain.

In 2022, the Cooperative Cybergroup has been coordinated to address cybersecurity issues

The new levy on credit institutions and financial credit institutions for 2023 and 2024 has been analysed

In that regard, it is worth mentioning the intense activity undertaken by CECA since the announcement of this measure last July, in an attempt to halt the bank levy and to introduce, wherever possible, technical improvements to it. To this end, meetings have been held with the various authorities (Bank of Spain and Ministry of Finance, among others) as well as with the parliamentary groups, having submitted observations and proposed amendments at the various stages of the parliamentary process. The management of this activity has been under the coordination of the Tax Network, a committee which regularly convenes the heads of the tax consultancy firms of CECA's member entities. The new tax was ultimately approved last December, through Law 38/2022 of 27 December, despite the possible constitutional flaws contained in the law, and the possible violation of various freedoms regulated by European Union law.

Other significant legislative initiatives were also monitored, such as the international tax reform that has materialised through Pillar I and II, together with the tax measures included in the General State Budget Law for the year 2023 (localisation of services in VAT and pension plans, among others).

—▶ Accounting Network

The primary focus in 2022 has been on the handling of non-performing loans guaranteed by the ICO and additional information required by the supervisor for the Deposit Guarantee Fund (DGF).

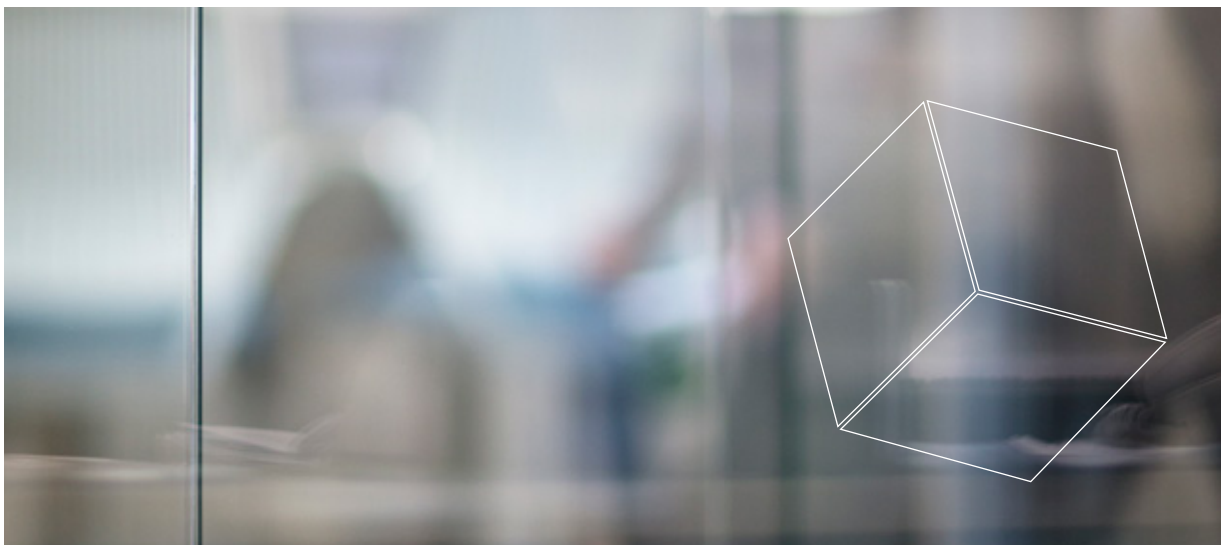
Additionally, the new conduct of business rules, regulated by Circular 4/2021, have sparked much debate and some aspects have been consulted with the supervisor. Similarly, in view of the conflict in Ukraine, the supervisor has requested new templates on the positions of institutions in Russia and Belarus.

—▶ Planning and Studies Network

The new Planning and Studies Network was formed in 2022 as a forum for analysing the situation and outlook for the banking business, and with a view to improving sector information. On 24 November, its first meeting was held, and as a result a series of questions were submitted to the Bank of Spain with the aim of improving the quality of the statistics on interest rates on new operations and expanding the sector information disclosed in various fields.

In the area of accounting, the focus has been on the handling of non-performing loans guaranteed by the ICO

The Planning and Studies Network was founded as a forum for analysing the situation and the perspectives of the banking business



Below is a summary of the major activities of the Coordination Committee throughout 2022, highlighting the main projects, initiatives and issues addressed:

1 Monitoring and implementation of the regulatory agenda.

The focus in 2022 was on supporting institutions in the process of adapting to sustainability requirements, developing four initiatives in partnership with AEB and UNACC: adapting to the EU taxonomy, defining the framework for action on climate commitments, reporting information on taxonomy and emissions of counterparties, and the regulatory radar on sustainability.

2

Regulatory package on digital finance. We have carried out two projects to analyse the impact of regulation on financial institutions: requirements of the MiCA regulation on crypto-assets and the Digital Market Act and Digital Act.

3

In the field of resolution, the legal aspects of the bail-in playbook have been updated.

4

Management of working groups for cooperative projects.

Highlights include the coordination between working groups with specialists from different areas for operational matters: the implementation of the ICO's Code of Good Practice in guaranteed financing; impacts on the materialisation of the digital euro project; and the consolidation of the TARGET platform, which underwent a postponement in its start-up, in line with the milestones set by the Eurosystem.

5

Collaboration with public administrations to develop services in which members act as collaborating entities in the collection and payment of benefits. Over 60 operational circulars have been published to regulate existing services, fostering the development of thematic channels to facilitate communication procedures between citizens and administrations.

- **General Treasury of the Social Security Institute (TGSS in Spanish)**

A service has been put into production in order to channel the first pension payments to the entities designated by the beneficiaries.

- **The Spanish Tax Agency (AEAT in Spanish)**

It has culminated in an online procedure for generating an NRC (reference number) for tax payment purposes.

- **Spanish General Council of the Judiciary (GCPJ in Spanish)**

A new procedure has been created in order to inform judges of customer accounts for each ID card number queried.

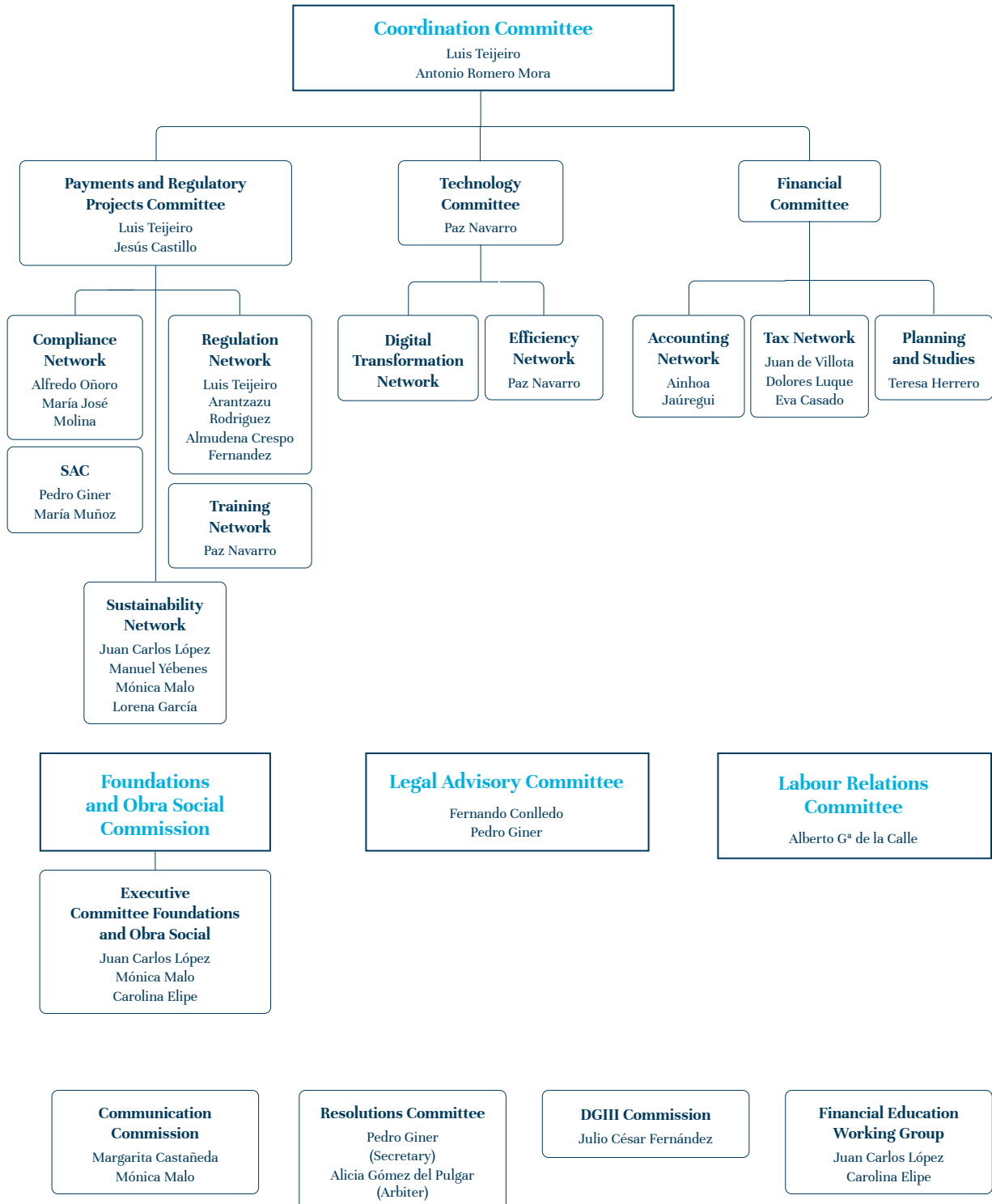
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Involvement in cooperation actions with the industry and the authorities

for the Observatory for Financial Inclusion, on the development of measures for the cash access protocol and the National Recovery Plan (Digital Kit).

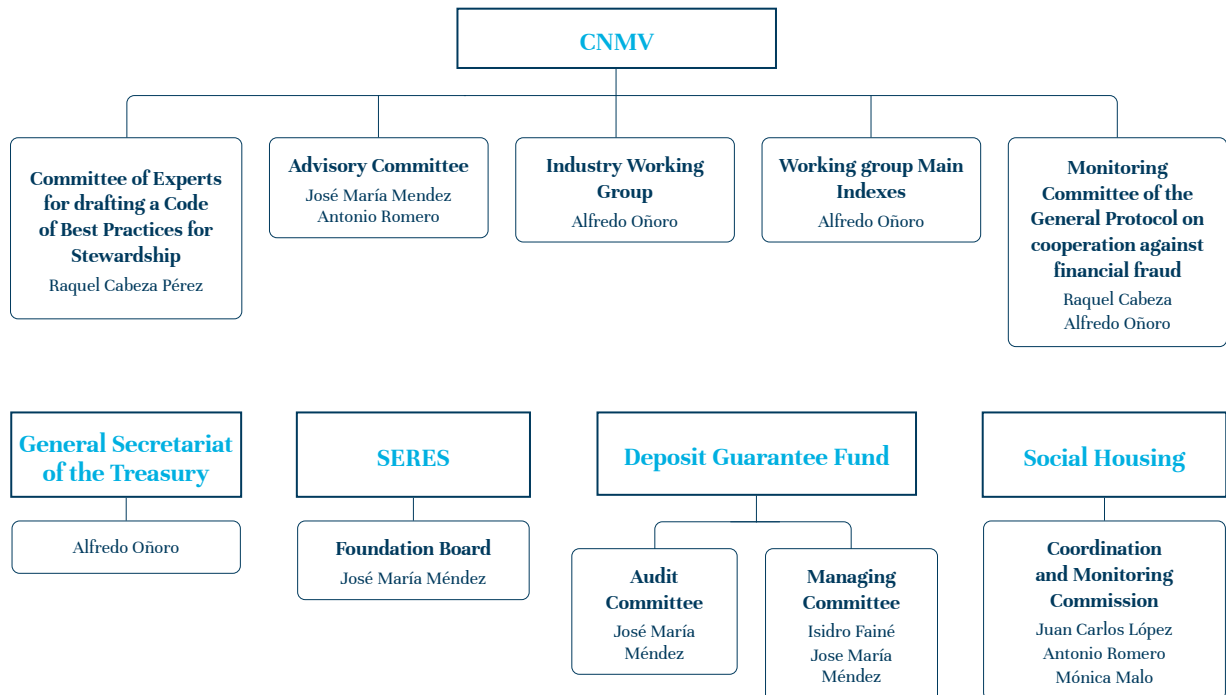
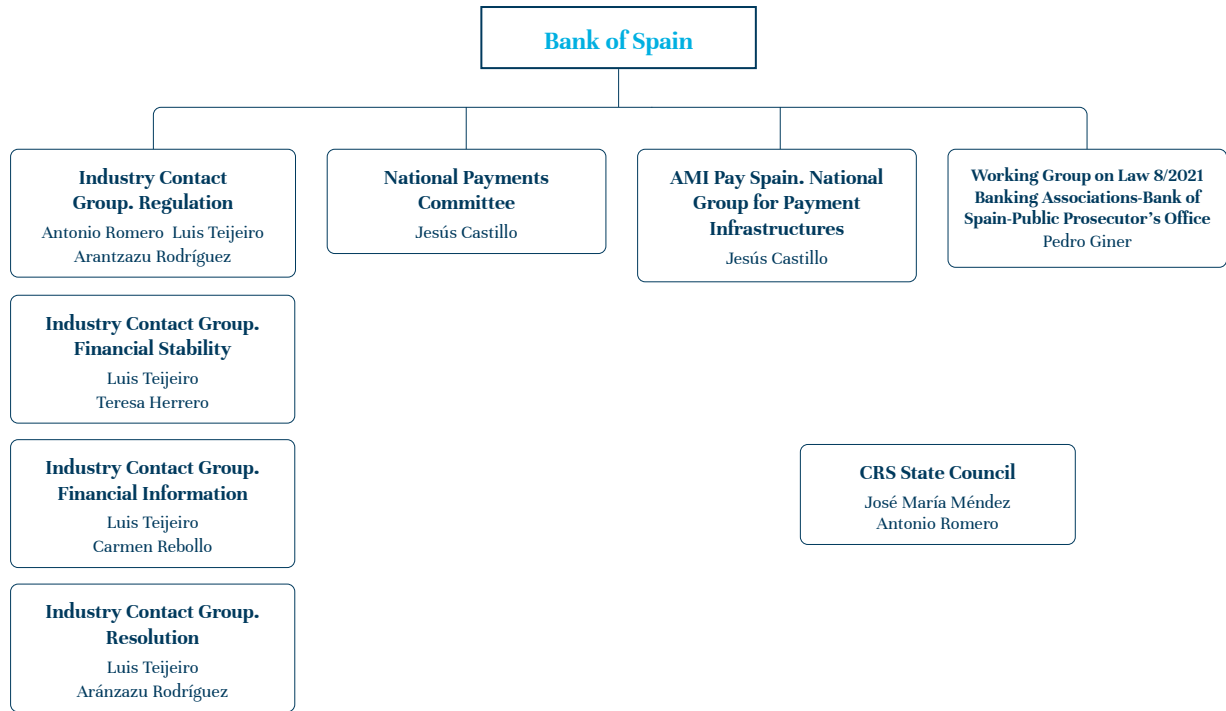
The Coordination Committee is the catalyst and driving force of the collaborative work of CECA's member entities

Cooperation forums

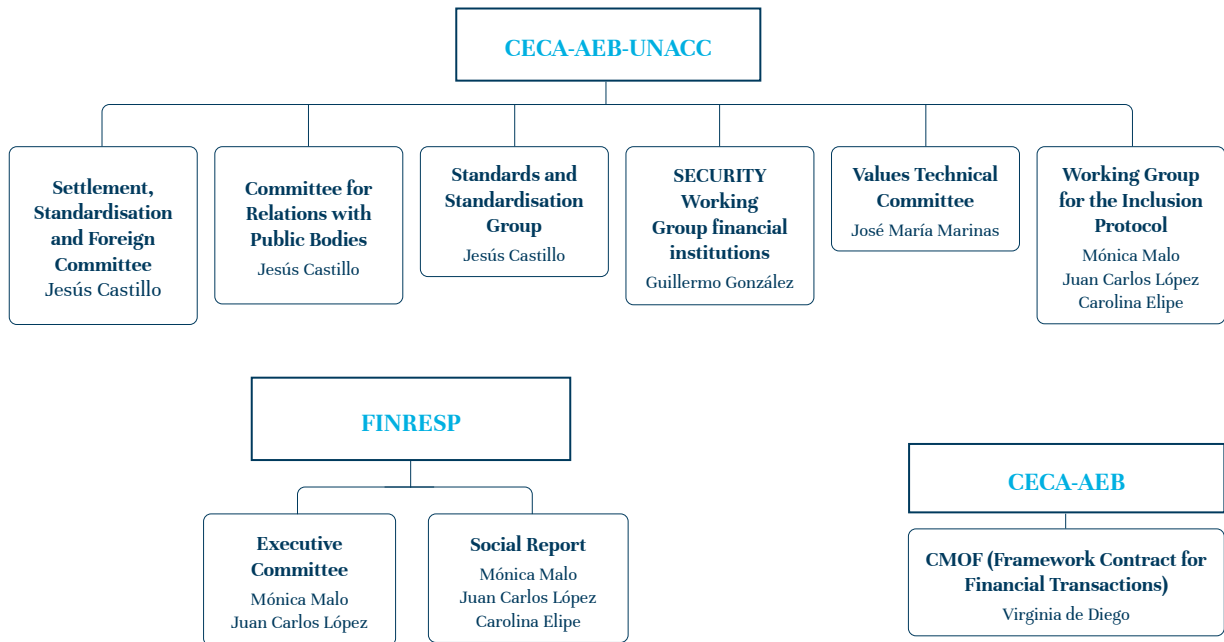


National representation forums

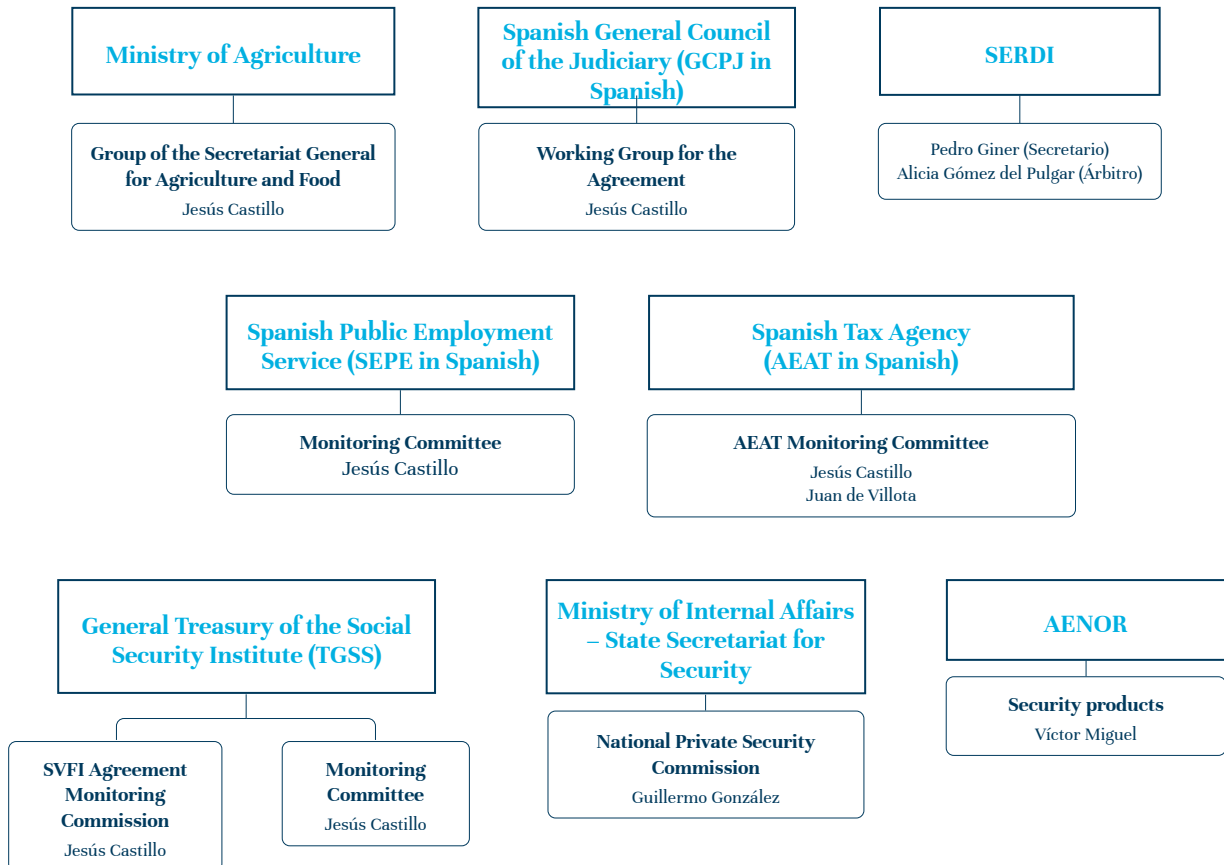
Official bodies



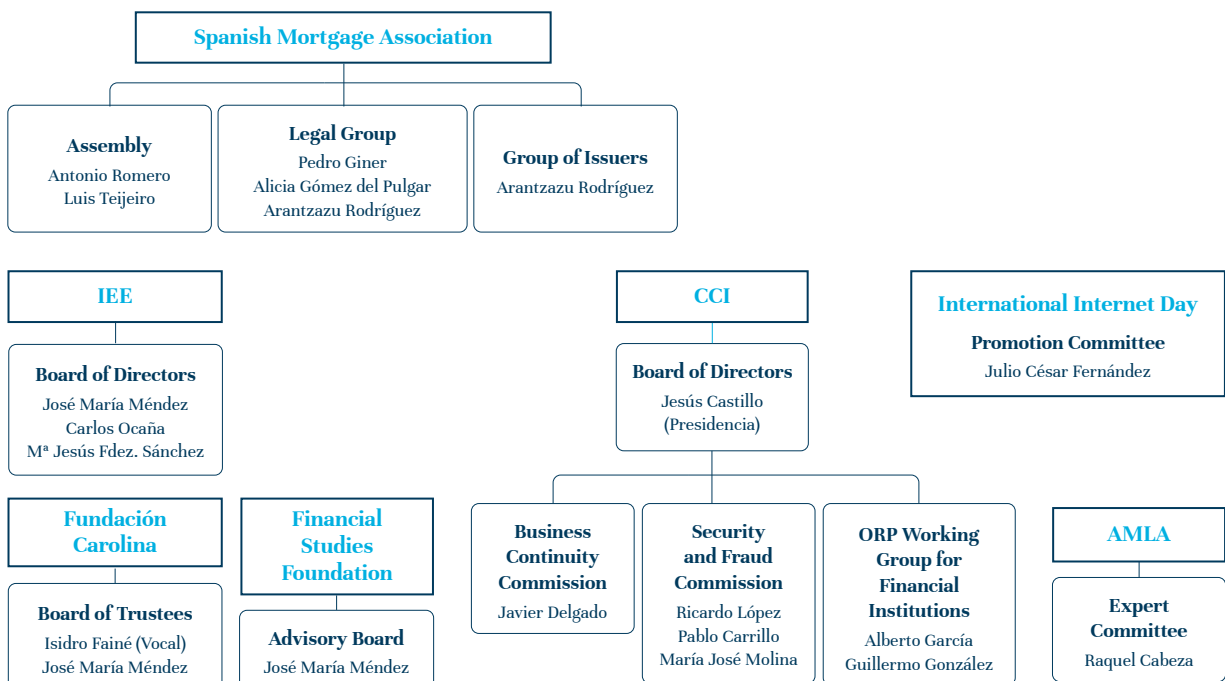
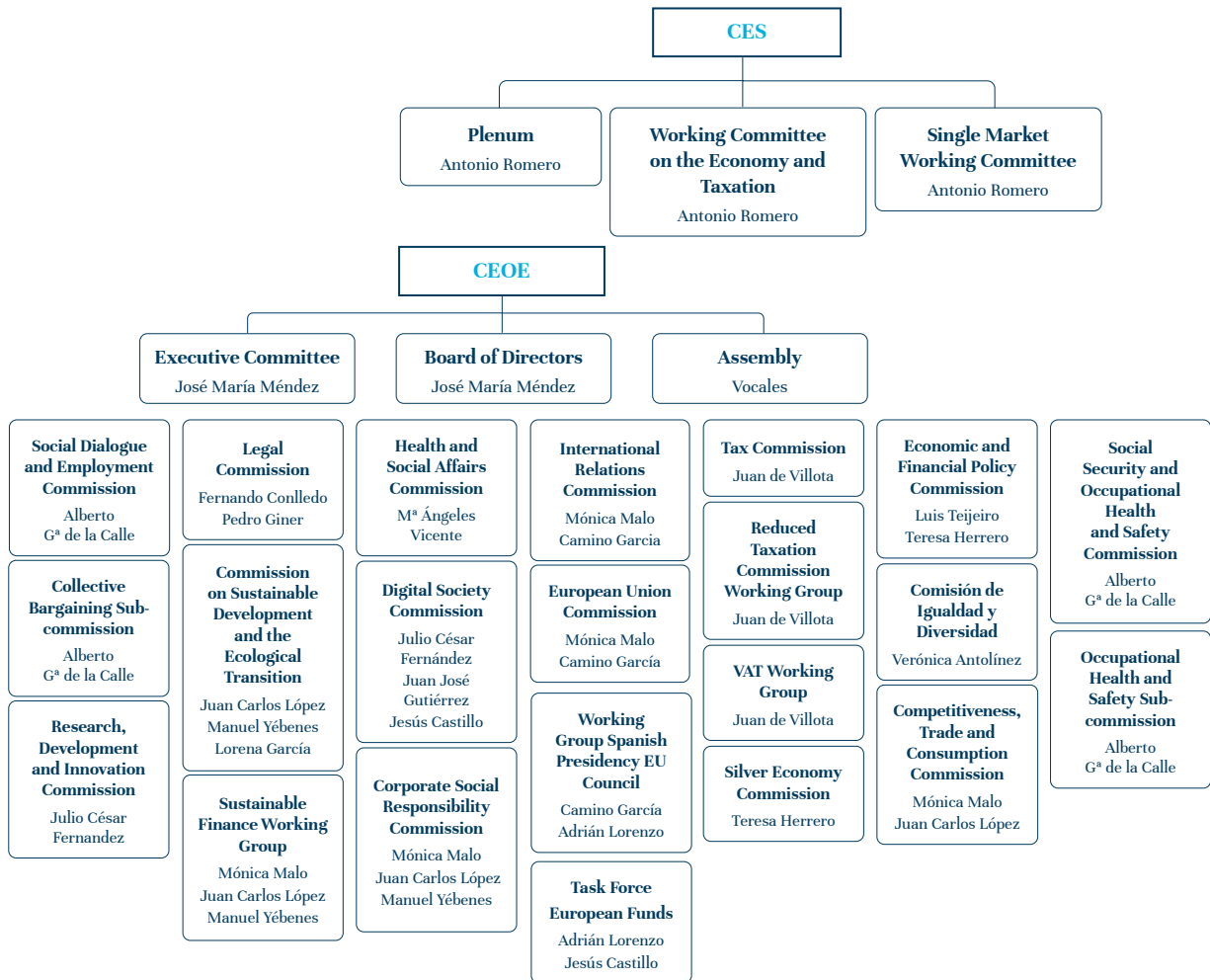
Sectoral



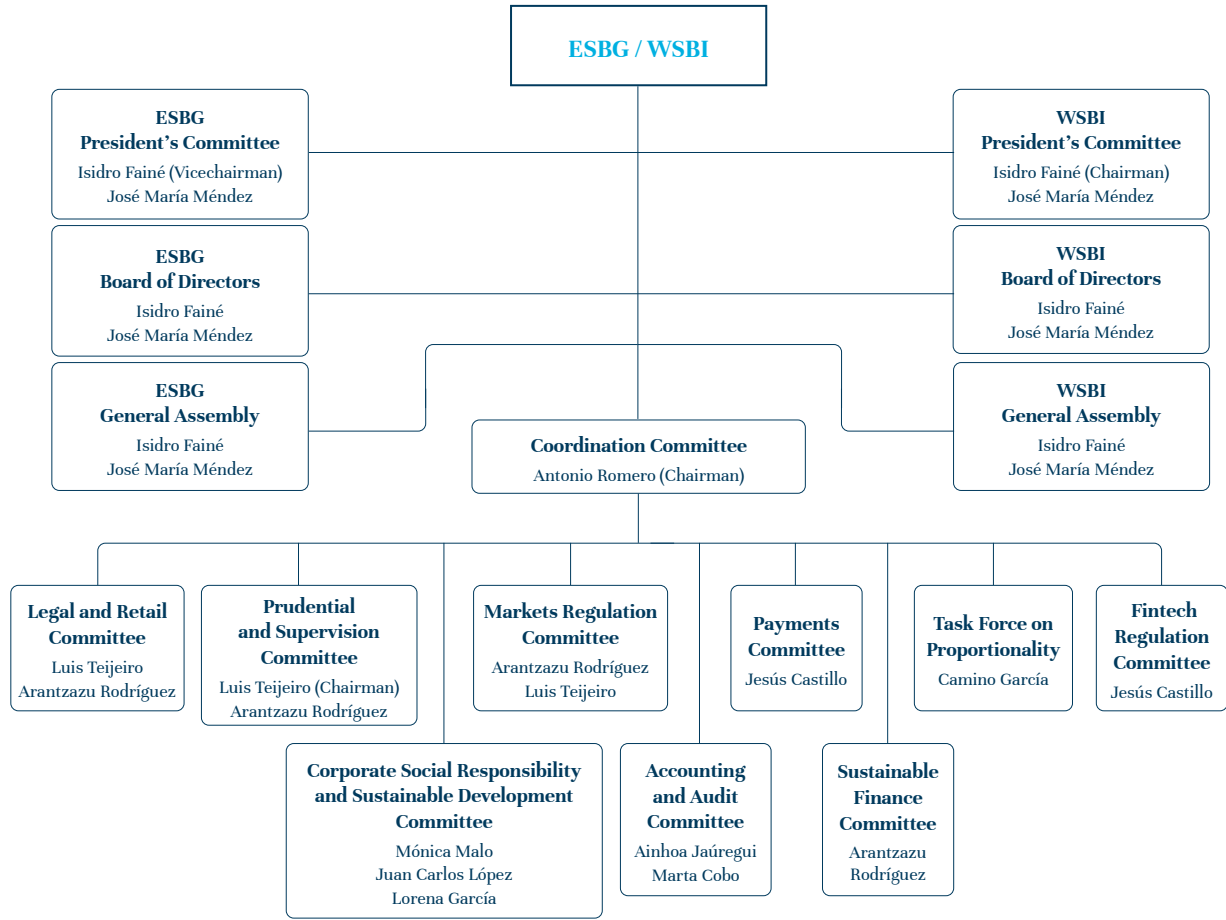
Administration



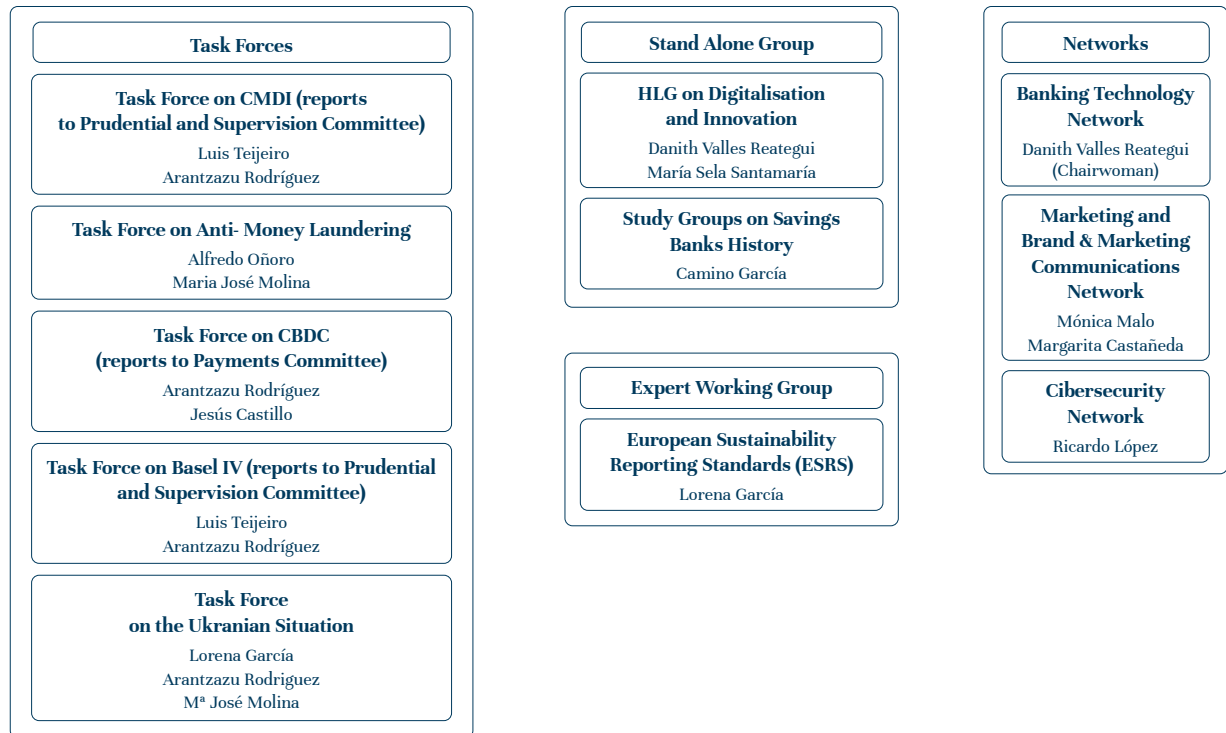
Other bodies

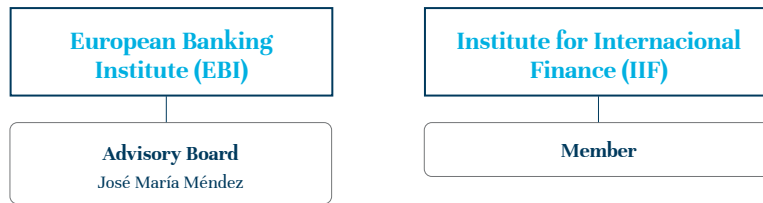


International representation forums



Annual Report 2022







2.1.2. Economic and regulatory analysis



Economic and financial analysis

CECA performs a continuous and detailed monitoring of the financial and economic framework both nationally and internationally, placing special emphasis on banking with the aim of offering member entities a global and up-to-date view of the environment in which they operate.

To this end, an **Economic and Financial Report** is prepared on a monthly basis that, in addition to a detailed analysis of the domestic and international economic situation and the evolution of the financial markets, monitors the main business variables of Spanish deposit institutions. In the macroeconomic sphere in 2022, a particular focus is placed on the development of inflationary pressures, the persistent nature of which has resulted in more active behaviour by central banks and, as a result, a downward revision of the economic growth outlook for the year 2023. From the standpoint of banking business, special attention was paid to the quality of the credit portfolio, notably in the most vulnerable sectors, together with the impact of rising interest rates on the mortgage market.

The financial information is supplemented quarterly by the **CECA Sector Results Report**, which details the evolution of the aggregate results of the member entities. This year, of particular note was the increase in the sector's profitability in the second half of the year, driven by the positive impact of the rise in interest rates on net interest income.

Elsewhere, **topic-specific reports** are prepared on a regular basis on highly relevant matters for the member entities, which notably feature the private sector credit report and the solvency report. The former provides an analysis of recent developments in financing to the private sector, placing particular emphasis on the impact of the health and energy

CECA carries out important dialogue and representation work with the Bank of Spain on the adaptation of statistical information

crises on new lending and changes in credit quality (non-performing loans, refinancing and restructurings and hedging). The latter includes an analysis of the changes in the composition of capital and risk-weighted assets over the past year and a comparison of the capital levels of Spanish institutions compared with those required by supervisors (Supervisory Review and Evaluation Process (SREP), leverage and Minimum Requirement For Own Funds and Eligible Liabilities (MREL)).

In the framework of European banking supervision, a comparative analysis of the main European banking systems, and of the institutions that comprise them, is regularly carried out through the preparation of specific studies such as the report on the European Banking Authority's (EBA) transparency exercise. The 2022 report provides an analysis of the evolution of credit portfolios, placing special emphasis on the real estate market, in which several countries have activated macroprudential measures with the aim of curbing the existing imbalances. It also analyses the increase in the profitability of European banks, chiefly driven by improved margins and lower provisions to cover asset impairment losses.

In addition to the preparation of reports and presentations, on its corporate website, CECA publishes quarterly **public financial statements** for every one of its member entities, both for individual companies and consolidated groups.

CECA drafts a Statistical Yearbook which compiles information about the governing bodies and basic financial details of all member entities.

As another service provided to member entities, CECA collects accounting information at an individual level to aggregate it and subsequently deliver it as aggregate financial statements or with a more management-specific format, such as **Financial Information Flashes**.

CECA distributes statistical information to member entities related to the balance sheets, income statements and branches, which it regularly receives from the Bank of Spain. Accordingly, CECA represents the interests of our member entities by maintaining relevant and ongoing dialogue with the Bank of Spain, in terms of adapting the statistical information that the body distributes and which has been used as the basis to analyse the financial sector, both at an individual and consolidated level.

Since 2021, **digital benchmarking** has been conducted on a six-monthly basis, in which most of the member entities participate, in order to offer a half-yearly diagnosis and monitoring of the penetration of digital banking (customers, channels, means of payment and sales) in the sector.

Developments in retail banking

Lending activity proved dynamic in the first six months of FY2022, in line with the post-COVID recovery, but slowed down again thereafter, particularly in the final quarter of the year, in the face of tighter financial conditions and a slowdown in domestic demand.

The rise in the 12-month Euribor (3.5 p.p. in the year as a whole) was partially passed on to the interest rates applied (NDER) by deposit institutions, with an increase of 1.6 p.p. in the year, which is similar to the rise in the euro area average in this period.

In this context, retail credit contracted in December by 0.5% year-on-year, reflecting a fall in credit to companies (-0.9%) and, to a lesser extent, to households (-0.2%). In the case of the latter, the decline was primarily weighed down by the contraction in lending for house purchase. The



A diagnosis of the penetration of digital banking in the sector is conducted on a semi-annual basis

drop in the credit balance is mainly attributable to the increase in repayments in the latter half of the year as a measure to avoid the impact of the interest rate hikes. By contrast, new lending continued to grow in 2022, by 20% in the case of companies and 10% in households, in cumulative terms for the year.

The NPL ratio for loans to the private sector continued to decline in 2022, standing at 3.45% in December, primarily as a result of the favourable evolution of employment throughout the year, as well as the support measures deployed to deal with the rise in energy costs. On top of this, there was active management of non-performing assets, with a greater dynamism in the sale of non-performing and foreclosed portfolios and a move to write-offs in 2022.

As regards the trend in retail funds, the pace of growth in deposits eased, more sharply at the end of the year (3% year-on-year in December 2022 compared with 5.7% in December 2021) as a result of the fall in accumulated savings and the greater attractiveness of other liability products, such as mutual funds and treasury bills. In spite of the rise in mutual fund net subscriptions, in particular in the latter half of 2022, fund assets contracted by 3.5% year-on-year in December 2022, which can be attributed to the sharp correction in the markets in this period.

New lending continued to grow in 2022, by 20% in the case of companies and 10% in households



Regulatory analysis

Regulatory activity in the financial sector in 2022 continued the intensity of recent years, particularly in the areas of prudential regulation, sustainable finance and digitalisation. In order to monitor it, CECA prepares:



Regulatory Outlook

Summarising the most salient points on both the national and international agenda. It is prepared monthly and has special editions for any relevant topics that may arise



Financial Regulations Database

It contains financial regulations and draft regulations applying to credit institutions

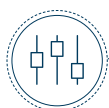


Regulatory and financial developments of the CECA Sector

A monthly report on the progress of the sector that is sent to the main national and international operators

This year's priorities have focused on the following matters:





Supervision and solvency

The main issues which guided the association's activity in the sphere of supervision and solvency were:

- The processing of the legislative proposals amending the **Capital Requirements Regulation and Directive (CRR/CRD)** in order to implement the **finalisation of Basel III** in the EU and to cover other aspects such as those related to the sustainability and supervision of credit institutions. In particular, the industry's position has been drafted, proposals for amendments have been prepared and meetings have been organised with the authorities in order to convey the industry's concerns. For this purpose, we have relied on substituting ESBG. In view of the fact that one of the most relevant aspects of the finalisation of Basel III for Spanish credit institutions is the new framework for operational risk, we have advocated the implementation of the national discretions permitted by the Basel Committee, taking as a reference the study conducted by CECA on the impact of this framework.
- Monitoring of the **technical standards for developing CRR/CRD**, entrusted to the European Banking Authority.
- Monitoring the ECB's **supervisory priorities**.
- The review of the EU **macroprudential framework** for the banking sector by participating in the European Commission's consultation.
- The EBA's work related to developing **NPL reporting** templates mandated by the Credit Managers and Credit Purchasers Directive.



Resolution

The following are the most important issues in the sphere of resolution on credit institutions that were analysed and monitored:

- The European Commission's preparatory work for the **revision of the crisis management and deposit insurance framework (CMDI)**. Indeed, consideration has started to be given to what would be the main demands of the sector that should be addressed in the review.
- Monitoring of the Bank Restructuring and Resolution Directive (BRRD) **technical development standards**, entrusted to the European Banking Authority.
- Amendments to the **Minimum Requirement for Eligible Liabilities (MREL) policy** made by the Single Resolution Board, and to the **Single Resolution Fund contribution** regime, through meetings with representatives of the SRB.



Markets

CECA follows closely, among other things, the following actions and regulations related to the financial instruments and securities market legislation:

- Defence of the MiFID II incentive model both at European and national level as the European Commission plans to review it with a view to developing the forthcoming legislative proposal on the **Retail Investor Strategy (RIS)**.
- Developments on the designation of **substitute benchmarks** for LIBOR in sterling (GBP) and yen (JPY).
- The commencement of the analysis of the legislative proposals on clearing, listing and corporate insolvency presented at year-end by the European Commission to further the **Capital Markets Union**.
- Monitoring of the **MiFID II/MiFIR** technical development standards, entrusted to the European Securities and Markets Authority.
- Parliamentary processing of the **draft law on the securities market** and investment services.
- Regulatory developments regarding **covered bonds** and **occupational pension schemes**.
- The CNMV's initiative to create a **Code of Best Practices for investors**.



Retailer

The most important issues analysed and monitored in the retail sphere are the following:

- The processing of legislative proposals for the revision of the **Consumer Credit Directive (CCD)** and the Directive on Distance Marketing of Consumer Financial Services (DMFSD).
- The start of work prior to the revisions of the **Distance Marketing Directive** on financial services intended for consumers
- The European Commission's consultation prior to the revision of the **Mortgage Credit Directive (MCD)**.
- The collaboration with the authorities in the design of the **Code of Good Practice for mortgagors** and in the participation of the sector in **NextGenEU** lending.
- The Preliminary Draft Law on the protection of persons reporting regulatory breaches and the fight against corruption transposing Directive (EU) 2019/1937 (**whistleblowers**).
- The Preliminary Draft Law on the creation of the **Independent Administrative Authority** for the Financial Customer Ombudsman.



Sustainability

As regards sustainability, the focus has continued on monitoring the development of the measures of the European Commission's Action Plan on Sustainable Finance and its renewed strategy in this matter. Specifically, regarding the following:

- The developments of Regulation (EU) 2020/852 (the Taxonomy Regulation) and the Sustainability-related Disclosures Regulation (SFDR), and in particular to EFRAG's efforts to develop data templates.
- The work of the Sustainable Finance Platform related to the design of a **social taxonomy and the extension of the taxonomy linked to environmental objectives**.
- The regulatory developments to bring sustainability-related aspects into MiFID, known as **Green MiFID**.
- The processing of the proposal for a Directive on Corporate Sustainability Due Diligence Directive (CSDDD) and the proposal for a Regulation on **deforestation**.
- The **exercise on climate risk stress** conducted by the ECB on European banks in 2022.
- The monitoring of the provisions included in the proposed amendments to the CRR/CRD (**2021 banking package**) regarding the supervision and management of environmental, social and governance (ESG) risks.



Digital finance

We have monitored the following matters in the field of digital finance:

- The processing of legislative proposals related to the Markets in Cryptoassets (**MiCA**) Regulation and the Digital Operational Resilience Act (**DORA**).
- The ECB's work to assess the introduction of a **digital euro** and determine its possible design.



Transactions and payment systems

The main issues guiding the association's activity in relation to transactions and payment systems have been:

- The Bank of Spain's Circular 2/2022 of 15 March regarding the rules for the submission of **payment statistics** by payment service providers and payment system operators established in Spain, which came into force on 16 March 2022.
- The European Commission (EC) consultation on the review of the Payment Services Directive (**PSD2**), examining potential amendments to the scenario posed by the evolution of the payments market and the needs of users, to justify new measures or coordinated actions in the EU.

- The EC consultation on the **open finance** framework and data sharing in the financial sector, in order to collect evidence and stakeholder views on these matters.
- The work to implement the new versions of the rulebooks of the European **debit/transfer** payment schemes and the modification of the liability agreements (AEB/CECA/UNACC) to gradually replace the physical exchange of certain documents (bills of exchange, cheques and promissory notes, among others) with the exchange of their image.
- The Eurosystem's strategy for **retail payments**, which will build a new eco-system, whose core features are the enhancement of cross-border payments beyond the EU, the full roll-out of instant payments and the development of new payment methods with the possible introduction of the digital euro.



COVID-19/Ukraine

As a consequence of the COVID-19 pandemic, the Bank took part in monitoring the **Code of Best Practices**, provided for in Royal Decree-Law 5/2021, for the renegotiation framework with customers subject to guaranteed financing (COVID Facilities - Royal Decree-Laws 5/2021, 6/2021 and 27/2021), updating the conditions laid down in the Council of Ministers of 29 March 2022 for the extension of the maturity, the conversion into participating loans and the making of transfers by the State in order to lower the publicly guaranteed part of the principal of the financing operation.

Furthermore, in 2022, CECA has assisted in the implementation of the **Ukraine guarantee facility** in order to respond to the economic and social consequences of the war in Ukraine with an endowment of up to 10 billion euros for the increase in the prices of energy, raw materials or electricity.



Prevention of money laundering and the financing of terrorism

The following are the most important matters in the sphere of prevention of money laundering and the financing of terrorism that were analysed and monitored:

- Monitoring the situation in Ukraine and its consequences, together with the related sanctions regime.
- The onboarding of Ukrainian refugees.
- Monitoring and developing the European AML/CFT regulatory package, including:
 - AMLD6 - Proposal for a Sixth AML/CFT Directive.
 - AMLR - Proposal for a European AML/CFT Regulation, harmonising regulation at European level.
 - AMLAR - Proposal for a Regulation on the European AML/CFT Authority.
- EBA Guidelines on the role and responsibilities of the AML/CFT compliance officer.



2.1.3. Sustainability and Obra Social

Obra Social

→ Obra Social is the group of charitable and social activities carried out by CECA's member entities. These include social welfare initiatives, but also education, research, cultural promotion and, more recently, environmental protection. Obra Social operates in a number of areas, which seek to cover all segments of the population, with a special focus on vulnerable groups and those most in need. Over the years, the CECA sector's Obra Social has become a fundamental tool in the fight against inequality, social exclusion and the risk of poverty, illustrating its essential role as the backbone of society.

The impact of the Obra Social of CECA member entities in 2022 was:



Obra Social Report 2021

In 2022, the Obra Social Report 2021 was drawn up and published with the data corresponding to that year. A video summary of this report has also been produced, which highlights the welfare projects activity and the efforts made once again this year by foundations and savings banks.

According to the data in the report, published in March 2022, CECA entities invested 778 million euros in Obra Social. Thanks to this funding, 51,750 activities were launched, benefiting over 25 million people, placing CECA's Obra Social at the forefront of private social investment in Spain for yet another year, a trend that has been ongoing since 2014. Proof of this lies in the fact that the increase in investment in welfare projects in the period 2014-2021 was 9.67%. All this has been made possible through the efforts of the entities that carry out welfare projects. Because of their proximity to the community, collaboration, capacity to adapt and capillarity, they have been capable of detecting the needs of society and reaching out to those who need it most.

Thus, CECA's Obra Social has illustrated its essential role as an irreplaceable lever for social, cultural and economic progress, as well as a complement to the programmes implemented by public administrations and the welfare state. Obra Social is one of the leading actors in fostering development, social inclusion and equal opportunities, especially for the most vulnerable groups.

During the 2021 financial year, the area that received the highest percentage of investment was Acción Social, with 41.32%, equivalent to 321 million euros earmarked for programmes such as food banks, soup kitchens and welfare support programmes for groups at risk of exclusion and the elderly. Second place in terms of investment was the Education and Research area, which, with a budget of 195 million euros, has developed more than 10,400 initiatives, reaching more than 9.8 million beneficiaries. The CECA sector also invested more than 95 million euros in Local Development and Job Creation programmes in 2021 to assist the productive fabric and families who have not yet recovered their activity to pre-pandemic levels in 2020, which highlights the effort and the capillarity of the entities with support measures in their areas of activity.

Throughout 2021, Obra Social programmes focused their efforts on the most disadvantaged groups, benefiting more than 7.56 million children and young people, 2.18 million people at risk of social exclusion, more than 1.71 million people over 65, and 1.74 million people with special needs.

Obra Social continues to work on developing and implementing Agenda 2030 and the Sustainable Development Goals (SDGs)¹. Thus, in 2022, 42.3% of the CECA sector's investment in Obra Social (329 million euros) has helped to reinforce the SDGs requiring greater attention from Spain, addressing issues such as decent work and economic growth, industry, innovation and infrastructure, the reduction of inequality and zero hunger, among others.

¹ SDG-1 End Poverty, SDG-2 Zero Hunger, SDG-3 Health and Well-being, SDG-4 Quality Education, SDG-5 Gender Equality, SDG-6 Clean Water and Sanitation, SDG-7 Affordable and Clean Energy, SDG-8 Decent Work and Economic Growth, SDG-9 Industry, Innovation and Infrastructure, SDG-10 Reduced Inequalities, SDG-11 Sustainable Cities and Communities, SDG-12 Responsible Consumption and Production, SDG-13 Climate Action, SDG-14 Life Below Water, SDG-15 Life on Land, SDG-16 Peace, Justice and Strong Institutions and SDG-17 Partnerships for Goals.



CECA's Obra Social is an irreplaceable lever for social, cultural and economic development, and a complement to public administration programmes and the welfare state

2022, the year of “resilience” to global post-pandemic uncertainty

In an environment marked by uncertainty, the sector’s ability to adapt has once again been evidenced, by helping with support measures to tackle the economic and humanitarian crisis caused by the war in Ukraine, together with other measures designed to support society in the face of inequality, social exclusion and the risk of poverty. In order to do so, CECA’s member entities have put into operation all the economic and human resources at their disposal.

This was demonstrated at the **Foundations and Obra Social Commission**, which was held in March 2021, and in the regular meetings of the **Foundations and Obra Social Executive Committee**. The main lines of work were presented at these meetings, as was the role of foundations in economic and social recovery. In this sense, Obra Social management entities have stressed the importance of partnerships as a key element for the development of their future activities, in addition to the exchange of experiences and the exploration of new revenue streams. Another key point is the dissemination of its activity, such as communication actions, publications (annual report and video), and the CECA Obra Social and Financial Education Awards, which recognise the member entities’ great work and have a significant media impact.

The **CECA Obra Social and Financial Education Awards 2021** were held in December 2022, where the ambassador for Obra Social and Financial Education, Olympian Ona Carbonell, presented the awards. These awards have been held annually since 2013 and aim to recognise the efforts and commitment of organisations that participate in Obra Social through their projects for the well-being of society and the most vulnerable.

In 2022, the sector’s ability to assist society in tackling inequality, social exclusion and the risk of poverty has once again been evidenced



□ The Special Jury Award for Obra Social for the Programme of Grants for Social Initiative Projects organised by “la Caixa” Foundation.



□ Special Jury Award in Financial Education to the Edufinet project by Unicaja Bank and Unicaja Foundation.



— □ CECA Obra Social and Financial Education Awards 2021. Family photo.

Seventy-two initiatives were presented in total, of which twenty-two received an award. These included first and second place in each subcategory and two Special Jury Awards. In the Obra Social area, the categories were: Social Action, Culture and Heritage, Education and Research, Local Development and Job Creation, Environment, and Sport and Leisure. This year, jury members included representatives from the Bank of Spain, the National Securities Market Commission (CNMV), Ministry of Economic Affairs and Digital Transformation, Fundación Lealtad, Spainsif, Funcas and El Confidencial.

Seventy-two initiatives were submitted, of which twenty-two were successful

With regard to the publication of the *Report on the impact of CECA's member entities in 2021*, it is estimated that the total impact of CECA's member entities on the economy was 178,030 million euros, equivalent to 16% of Spain's GDP, as a result of their corporate activity and the dynamisation of the latter through the financing granted. This report, prepared by CECA in collaboration with KPMG as an external expert, aims to evaluate and analyse the impacts generated by CECA's member entities.

Total impact of CECA member entities on the economy 2021



178,030
million euros

— □ **Corporate activity and financing granted**

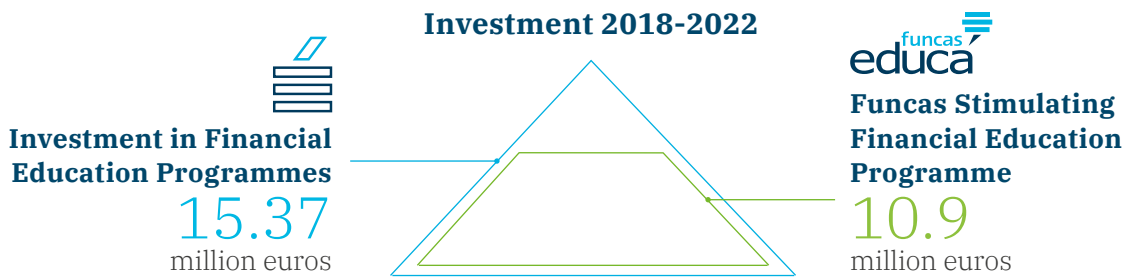
Education programme

CECA's member entities develop programmes that drive the improvement of financial literacy among society, a key pillar for the economic and financial stability and development.

This is a commitment that CECA and its member entities have assumed since the signing of the first Financial Education Plan in 2008. This Plan, backed by the Bank of Spain and the CNMV and joined by the Ministry of Economic Affairs and Digital Transformation, has been renewed for the period 2022-2025.

During 2022, the CECA sector allocated 2.2 million euros to promote, foster and improve financial education. Of the total investment, 1.5 million euros come from the Funcas Stimulating Financial Education Programme (Funcas Educa). Through this programme, contributions continue to be made towards the financing of activities carried out by financial institutions, either directly or through their foundations, promoting existing projects or other new projects that meet the needs detected in society.

Thus, since 2018, CECA member entities have invested 15.37 million euros in financial education, thanks in part to the promotion of the **Funcas Educa Stimulating Financial Education Programme** which, with a budget of 10.9 million euros, has become the largest investment in financial education in Spain.



Annual Report 2022

Financial Education Report 2020-2021

In 2022, CECA and Funcas have published the **Financial Education Executive Report 2020-2021**, a biennial report on the activity undertaken by the CECA sector in financial education, since, owing to the pandemic, many of the 2020 programmes have had to be extended to 2021. Based on data from this report, 4.29 million euros were spent on financial education programmes in 2020-2021, of which 3.025 million came from the Funcas Stimulating Financial Education Programme 2020-2021 (Funcas Educa). These funds were allocated to 7,918 activities reaching a total of 55 million digital accesses and in-person attendees.

Throughout this period, CECA's entities have continued to focus on the digital format, allocating more than 86% of their budget to digital actions. As a result, work has been carried out to provide an inclusive response through digital channels thanks to the adaptation of programmes to this format, such as the development of websites, mobile applications and virtual workshops. Similarly, messages concerning cybersecurity, password management and digital shopping have been strengthened, in particular for the elderly, as well as including topical issues such as those related to sustainability and digitalisation, among others.

During 2020-2021, 53% of the investment was dedicated to initiatives for specific groups (people with special needs, at risk of exclusion or entrepreneurs), including over 32 million digital accesses and in-person attendees of financial education programmes for these vulnerable groups.



Financial education initiatives

Since the first edition of **Financial Education Day**, CECA has championed this event, coordinating the activities carried out throughout the country with its member entities. In 2022, with the motto: “Education for more secure finance”, the event put the spotlight on the importance of personal finance and data protection education. Furthermore, the three banking associations CECA, AEB and UNACC have received the 2022 “Finanzas para Todos” (Finance for All) award for their achievements in the development of the Financial Education Plan, for the launch of the “Financial and Digital Classroom” website. This education platform brings together the banking sector’s initiatives to strengthen the financial literacy and digital skills of the entire population.

At the presentation of the **CECA Awards for Obra Social and Financial Education 2021**, the best financial education projects were awarded in the following categories: Children and Young People, Adults, Seniors +65 and Entrepreneurs, in addition to a Special Jury Award for the best project in the promotion of financial education.

CECA continues to work on its commitment to promoting financial education and its support for vulnerable groups, such as the elderly, for which it has entered into a **collaboration agreement with SECOT** (Séniores Españoles para la Cooperación Técnica) in 2022. Its goal is to implement and develop in-person educational programmes and workshops to promote financial education and reduce the digital divide among the elderly and those in rural areas.

In December 2022, it was announced that the Royal Spanish Football Federation (RFEF) would join the “**Financial Education for Athletes**” project, in order to offer footballers, referees and coaches Financial Education training. The project currently boasts the participation of three federations (Football, Swimming and Athletics), together with the Higher Sports Council (CSD) and the Spanish Sports Association (ADESP).

Internationally, during 2022, CECA has promoted financial education in the international institutions of which it is a member, namely ESBG and WSBI. These associations have held events, with the support of CECA, such as the celebration of World Savings Day, Global Money Week and the conference “My world, my knowledge, my future, a female approach to financial education”, organised by ESBG in October on financial education for women.

Lastly, CECA has contributed to the dissemination of financial education by supporting the various initiatives of the OCDE’s International Network on Financial Education (OCDE/INFE), of which it is a member, and the promoters of the Financial Education Plan (Bank of Spain and CNMV) and their brand Finanzas para Todos.



—□ Signing of the incorporation of the Royal Spanish Football Federation into the “Financial Education for Athletes” project.

The project “Financial Education for Athletes” boasts the participation of three federations (Football, Swimming and Athletics), together with the Higher Sports Council (CSD) and the Spanish Sports Association (ADESP)



—□ CECA’s CEO, fourth on the right, holds the “Finanzas para Todos 2022” award.

Sustainability

Sustainable finance is a reality that is rapidly expanding and evolving at the pace of the evolving regulatory framework in Europe. In parallel, there is a need for the involvement of the financial sector to contribute to meeting the EU's green economy goals and the fight to combat climate change. It is the financial industry itself that is taking a step forward in its collaborative work to support new production models by channelling aid and promoting public-private collaboration.

The **Action Plan for Financing Sustainable Development** published by the European Commission in March 2018 was a turning point. Over the years, it has been accompanied by a regulation that is still very active and affects not only the sustainability departments of the entities, but also their entire organisational structure, which is marked by the need to incorporate Environmental, Social and Governance (ESG) criteria into their sustainability policies, corporate governance models, risks and even corporate strategies.

The CECA Sustainability Network, which comprises the sustainability directors of the member entities and which holds several meetings during the year, has worked in a coordinated manner on the major subjects on the national and international agenda. In view of the cross-cutting nature of ESG matters within organisations, CECA's Sustainability Network has included directors from various areas, such as regulation, risk and business, in its meetings, workshops and seminars.

Collaborative work in CECA is crucial to take up the major challenge of sustainable finance. With this aim in mind, a workshop was held together with AEB and UNACC to learn about best practices on how to apply methodologies for measuring the carbon footprint of the portfolio, in compliance with the commitment made at the United Nations Climate Change Conference (COP25) held in Madrid in December 2019, "Spanish Banks Collective Commitment to Climate Action".

CECA and its member entities took part in the Bank of Spain's 4th Conference on Sustainable Finance, headed once again this year by the institution's Deputy Governor.



Collaborative work in CECA is key to taking on the major challenge posed by sustainable finance

José María Méndez, CEO of CECA, and Pablo de Ramón Laca, CEO of the Treasury, at the Finresp 2022 Meeting.

In 2019, CECA, alongside other leading industry associations (AEB, INVERCO, UNACC, and UNESPA) created the **Spanish Centre for Sustainable and Responsible Finance (Finresp)** within the framework of the United Nations in order to create financial centres for sustainability (FC4S) that foster green and sustainable finance, supporting the identification of good financial practices and seeking innovative formulas and solutions. In the Finresp area, CECA has worked on several initiatives.

In 2022, CECA has taken part in a sector working group to develop a **Catalogue of Sustainable Finance Regulations**. This is a repository of existing regulations or regulations under development, which seeks to identify the links between them, thus providing the necessary clarity for those who have a keen interest in sustainable finance, but who are not experts in the field of regulatory compliance.

The financial sector can contribute to meeting the EU's green economy goals and the fight to combat climate change

At the end of 2022, the **Spanish Sustainable Finance Data Observatory** was launched, inspired by the best practices of the network of financial centres for sustainability. This initiative seeks to be the first and most complete repository of open sustainable financial information in Spain.

Furthermore, we have continued to contribute to the compilation of the annual survey conducted among the various countries that make up the FC4S Financial Centres for Sustainability.



CECA has participated at several meetings on behalf of the sector, such as the **16th National Environmental Congress (CONAMA - Congreso Nacional de Medio Ambiente)**, which addressed the challenges and levers of support in the implementation of the EU Taxonomy Regulation in the financial sector.

In the spring of 2022, a meeting point with member entities was held at CECA's headquarters to host the event "Towards a National Sustainable Finance Plan", organised by Spainsif and the United Nations Global Compact.

With regard to participation in other international initiatives, in addition to continuing to adhere to the International Principles of Responsible Banking, a financial initiative under the auspices of the United Nations Environment Programme (UNEP FI), CECA is part of the Global Compact and contributes to the realisation of the 17 Sustainable Development Goals. CECA has renewed its commitment to these initiatives in 2022.

CECA has also driven and implemented various **cooperative projects**, in some cases independently and in others in conjunction with other employers' organisations. These projects are designed to help CECA member entities to implement certain ESG aspects and to share methodologies, working models and solutions.

Accordingly, in 2022, CECA sector institutions were able to take part in initiatives such as the Regulatory Observatory on Sustainable Finance, in which monthly workshops are organised to update sustainability regulations and analyse their operational impact on institutions. The project for calculating the carbon footprint of the portfolio, setting up a framework to comply with the commitments of the climate action agreement, where a methodology was drawn up for calculating the carbon footprint and defining the action objectives to comply with the NetZero2050 commitment. The environmental taxonomy target setting initiative, which was designed to support entities in the implementation of the EU Taxonomy Regulation.

The counterparty ESG data collection project was also implemented, which provides information on indicators such as taxonomy and carbon emissions. This data is used by institutions in order to meet the reporting requirements of regulators and supervisors, and for internal counterparty risk management.

New projects were launched at the end of the year, such as the one related to the identification and integration of climate and environmental risks in the Internal Capital Adequacy Assessment (ICAAP). The purpose of this initiative is to assist institutions in defining a common methodology to meet the supervisor's expectations.

Furthermore, as part of its social work and in support of the most vulnerable, CECA, together with its member entities, has renewed the Social Housing Fund Agreement with the Ministry of Economic Affairs and Digital Transformation for a further year, until 17 January 2024, where it provides 7,714 homes, or 74% of the Fund's total.

CECA is a signatory to UNEP FI's international principles of responsible banking and is part of the Global Compact, contributing to the development of the 17 SDGs



Social Housing Fund Agreement

7,714
homes

74%
total of the fund



2.1.4. Worker representation

▶ The objective of CECA, as the **employers' association of savings banks and institutions**, is to represent the member entities that are bound by the Savings Banks and Financial Institutions Collective Bargaining Agreement.



CaixaBank, S.A.



Unicaja Banco, S.A.



ABANCA Corporación Bancaria, S.A.



Ibercaja Banco, S.A.



Caja de Ahorros y Monte de Piedad de Ontinyent, Caixa Ontinyent



Colonya Caixa Pollença



Cecabank, S.A.

On 3 December 2020, the Resolution of the Directorate General of Labour, of 23 November, was published in the Official State Gazette, recording and publishing the **Collective Bargaining Agreement for Savings Banks and Financial Institutions**.

Said collective bargaining agreement was reached on 30 September 2020 between CECA, its member entities bound by the collective agreement and the trade unions CCOO, FINE and UGT, which represent 85.31% of the employees at the bargaining table.

This collective bargaining agreement was entered into the collective bargaining agreements register by means of a resolution of the Directorate General of Labour on 28 April 2021.

Administration of the Collective Bargaining Agreement

Most noteworthy within the recurring activities assigned to CECA as an employers' organisation, is its coordination of the **Joint Commission of the Collective Bargaining Agreement**.

The following powers are assigned to this commission:



- Interpreting, ensuring compliance with and implementing the agreement.
- Where applicable, carrying out the functions of awareness and resolution of discrepancies after the completion of the consultation period related to the substantial modification of working conditions or the non-application of the wage scheme.
- In the event of a collective dispute in relation to the interpretation or application of the Collective Bargaining Agreement, intervening before formally approaching the conflict by employing non-judiciary procedures for solving conflicts or by presenting it to the competent judicial body.

Two meetings were held in 2022, at which four interpretative consultations were addressed on the collective bargaining agreement, in addition to other matters.

Sector Observatory

The Sector Observatory is provided for in article 104 of the current collective bargaining agreement and serves as a stable forum for social dialogue on matters of common interest between CECA's member entities bound by the collective bargaining agreement and the trade union organisations that signed the collective bargaining agreement (CCOO, FINE and UGT).

This body is tasked with analysing the sectoral reality, in order to study and assess practices in the financial sector geared towards improving productivity and competitiveness, as well as best organisational practices regarding the adaptation of working hours, modulation of the percentage of irregular distribution of working hours, digital development and any other matter that, at the proposal of any of the organisations forming part of the abovementioned Sector Observatory, is accepted as an object of analysis by the majority of each representation.

As a consequence of the increase in inflation since the end of 2021, CECA agreed with the trade unions signing the agreement to call a Sector Observatory to study the impact of the increase in the CPI on staff remuneration.

Five meetings of the Sector Observatory were held in 2022.

Trade Union elections

The trade unions that signed the Collective Bargaining Agreement (CCOO, FINE and UGT) reached an agreement to encourage trade union elections in most of the savings sector. Thus, on 30 November 2022, elections were held in CaixaBank, Abanca, Caixa Ontinyent, Colonya Pollença and Cecabank and in certain work centres of Unicaja Banco.

Depending on said worker's representation, the Collective Bargaining Agreement's negotiating table will be established in 2023.

In February 2023, elections will be held at Ibercaja Banco and almost all of Unicaja Banco.

2.2. Obra Social: Funcas

► Funcas is a private non-profit institution forming part of CECA's Obra Social. Its activity is mostly directed towards promoting, debating, and circulating research on economic and social matters, through publications, holding and participating in public events such as conferences and seminars, documentaries, and other audiovisual means.

In 2022, the Foundation published 290 articles by 232 different authors. Four research activities have been completed on economic, financial and social subjects, which added to the content of the different publications published by Funcas; a further eleven research projects are in the preparation phase. Funcas develops this research programme through collaborations with external researchers and activities carried out by its different areas and observatories.

Funcas is a private non-profit institution forming part of CECA's Obra Social

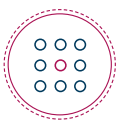




The **Economic Situation Area** monitors the Spanish economy at the national and regional levels. This includes producing reports and articles on recent economic developments and short-term forecasts of macroeconomic aggregates and leading indicators. A highlight in 2022 was the publication and presentation of economic forecasts for 2022 and 2023. The *Funcas Europe* platform also monitors the European economy: information about current trends, regular updates of growth projections in the eurozone (also published in economic forums and meetings) and analyses on key social and economic matters. This year's focus is on the analysis of the energy crisis and its consequences on the European economy. A new feature this year is that podcasts have started to be published on this platform.



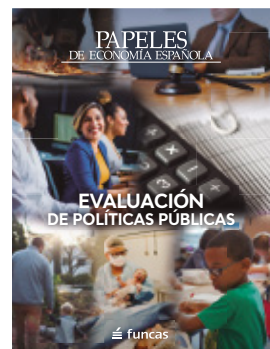
The **Financial and Digitisation Area** monitors the situation of the financial system, with a special focus on the banking sector and savings bank groups, and its digital transformation through regular contributions to the numerous Funcas magazines and the publication of the 50 Financial System Indicators on its website. The activities undertaken during 2022 included organising the presentation of issue 170 of the journal *Papeles de Economía Española* "Finance after the pandemic", which analyses the effects on the financial system as a result of the pandemic. The presentation was attended by the Chairman of CaixaBank, José Ignacio Goirigolzarri. The Observatory for Financial Digitalisation (ODF - Observatorio de la Digitalización Financiera) analyses the digital transformation of the Spanish financial system. Its most relevant activities in 2022 include the publication and presentation to the media of the report *Financial digitalisation after the pandemic, what has changed?* The report reveals how the pandemic has accelerated the process of banking digitalisation among Spaniards, while also reducing the gaps in the use of digital banking.



The **Big Data in Finance Area** at Funcas aims to inform Spanish society on the importance and scope of the new opportunities offered by big data techniques in the financial sector through publications and conferences. In 2022, it is worth mentioning the organisation of the conference on "Financial analysis and big data", which was attended by ten leading specialists who presented various papers with the common link that they reflect how the large masses of data that are collected automatically are changing the financial world.



The **Public Economy and Taxation Area** takes into account two lines of research: taxation and public economy and well-being. Taxation studies focus on the analysis of tax matters and their impact on the economic reality. The studies relating to public spending and well-being cover public sector intervention in market economies, with special attention to the set of actions that make up the social welfare system. The most relevant activities conducted in 2022 included the holding of several virtual conferences, among which the following are noteworthy: the presentation of *Papeles de Economía Española* no. 173 "Assessment of public policies", featuring the participation of the president of the Airef, Cristina Herrero, and the conference "General State Budgets 2023: analysis and assessment".



The session was focused on the analysis of the 2023 Budget paying attention to the macroeconomic framework in which it is situated, revenue and deficit forecasts, and the examination of the principal expenditure items, taking into consideration the current state of the Spanish economy and future scenarios in the medium term.



The **Markets, Regulation and Competition Area** spearheads and develops quality applied research on the operation of regulated markets and the different industrial sectors by preparing articles and case numbers on the matter. In 2022, the organisation, together with the National Commission on Markets and Competition, held two seminars within the framework of the Competition Policy series dedicated to “*The Role of Economic Analysis in Competition Policy: What happened to the Digital Economy?*”

The Funcas Observatory for Business and Industry (OFEI - Observatorio Funcas de la Empresa y la Industria) is a space for debate and analysis of applied research dedicated to the study of Spanish companies and industry. Of particular note in 2022 was the presentation of issue 170 of the journal *Papeles de Economía Española* entitled “Land infrastructures, transport and mobility of people”, at the headquarters of the Ibercaja Foundation in Zaragoza. Furthermore, the book *Manual de Economía Española* has been published, an updated edition of the one published in 2015. It is a fully updated version that takes into consideration the new characteristics of the situation of the Spanish economy, although with the same spirit and objective of providing a useful service to scholars of the Spanish economy.



The objective of the **Health Economics and Policies Area** is to contribute to the analysis and debate on health policy in Spain. To this end, throughout 2022, this area was responsible for coordinating a series of conferences on “Caesarean sections and neonatal and long-term health. New empirical studies”, “Economy, demography, mortality and inequality in Spain”, “Managing the pandemic, psychological unease, economic inequality and confidence in institutions” and with the collaboration of the Ernest Lluch Foundation, “The future of the national health system” was organised.



Funcas’ Social Area is organised into two lines of action: social research (Social Studies) and social contribution (Funcas Social).



The Social Studies unit is responsible for publishing the journal *Panorama Social* and *Focus on Spanish Society*, in which social scientists from both Spain and abroad address social issues from different analytical perspectives. It also coordinates and monitors the social research projects financed by Funcas and collects and analyses empirical data on attitudes and behaviours of Spanish society. Its most relevant activities in 2022 were: the monthly production of a technical note with the goal of providing a brief analysis of issues which, due to their universal importance, the United Nations has decided to mark on the calendar as international or world days. The book *Forty years on: Spanish civil society, from a first impulse to a long pause*, which is the result of a research project financed by Funcas and carried out by Víctor Pérez-Díaz and Juan Carlos Rodríguez, was published. The book offers an assessment of the evolution of Spanish civil society since the 1980s.



Funcas Social is responsible for activities aimed at promoting financial education through the *Funcas Educa* Programme; drawing attention to current social

problems through *En Clave Social* and rewarding economic and social research through the *Enrique Fuentes Quintana Awards* for Doctoral Theses.

The Funcas Educa Programme, whose purpose is to boost the interest and financial knowledge among citizens, has carried out the 4th edition of the Funcas Stimulating Financial Education Programme. This initiative is aimed at financing projects that contribute to improving the level and quality of financial education in Spain developed by CECA's member entities, either directly or through their associated foundations. On the occasion of Financial Education Day, the Funcas 2022 Survey on Financial Education was conducted among 1,200 young people between 18 and 29 years of age. The survey looks into the opinions, attitudes and financial habits of young people.



One of the most noteworthy activities carried out in *En Clave Social* was the premiere on Funcas' YouTube channel of the documentary *Like/Dislike*, which analyses the major impact of the use of new technologies on the way in which citizens relate to and connect with each other. The documentary is geared towards teenagers, their parents and educators. The launch of the documentary was covered by media outlets such as *El País* and *Cadena Ser*.

On 16 December, Funcas held the *Enrique Fuentes Quintana Awards* for the best doctoral theses of the 2020/2021 academic year in the areas of Economics, Social Sciences, Sociology, Communication, Health Sciences, Humanities and Engineering, Mathematics, Physics and Architecture. A total of 369 doctoral theses were received for this edition.

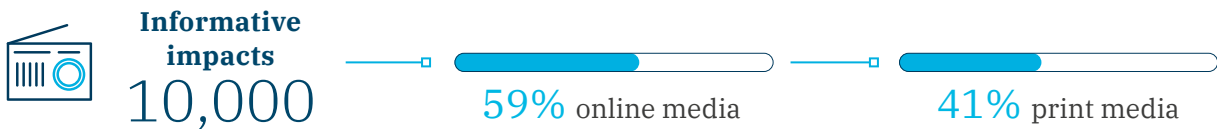
In order to promote the dissemination of its research, Funcas publishes various types of documents in the fields of economics, finance and sociology: books, working papers and reports, technical notes and various journals, such as *Papeles de Economía Española*, *Cuadernos de Información Económica*, *Spanish International Economic & Financial Outlook*, *Panorama Social*, *Papeles de Energía*, *Focus on Spanish Society*, *Funcas Intelligence* and *Global Financial Insights* (the latter two with limited reach).

In 2020, Funcas organised or participated in ninety-two public events and attended various working meetings with representatives from national and international economic organisations.

In 2022, Funcasblog (Funcas' blog on the economy, finance and society) included more than 100 new notes. The number of blog visits has reached 100,000. As a new development, following the pandemic, all Funcas events and conferences are being broadcast on the Foundation's YouTube channel, with some 50,000 visits received and a total of 2,400 subscribers. During 2022, twenty-three videos on economic and social issues were published in *Funcas' Videoblog*.



With regard to the impact in the media of the various activities carried out at Funcas, between January and December 2022, over 10,000 informative impacts were recorded, 59% of which were in online media, radio and TV, and the remaining 41% in print media. The equivalent advertising value of these impacts has exceeded 20,000,000 euros. Furthermore, more than 450 interviews have been provided as well as around 70 press releases.



2.3. Publications

2.3.1. Funcas



Articles
290



Authors
232



Interviews
450



Public acts
92



Press releases
70



Theses
369



Funcasblog
100



Blog visits
100.000



Video blogs
23



2.3.2. Circulars

These are the circulars that CECA has distributed to its members in 2022:

January	Motion from the Director General of the National Social Security Institute (INSS) concerning the promotion of the protocol for the communication of variations in benefit payment data.
February	Motion of the Bank of Spain regarding the adoption as its own and the repeal of certain guidelines published by the European Banking Authority as specific guidelines
February	Motion of the Deposit Guarantee Fund for Credit Institutions regarding the start of work on checking information on deposits held by credit institutions
February	March 2021 Annual Abstract of Statistics for CECA's member credit institutions
March	2022 Distribution of confederation membership fees
March	Motion of the Bank of Spain regarding the adoption of certain guidelines published by the European Banking Authority as specific guidelines
April	Motion of the Bank of Spain regarding the adoption of certain guidelines published by the European Banking Authority as specific guidelines
April	Motion of the CNMV regarding the approval of the technical guide for the assessment of cohabitation and adoption of ESMA guidelines on the requirements of coexistence and only MiFID II implementation
April	Communication from the Directorate General of the Treasury and Financial Policy to credit institutions regarding restrictive measures against Russia for its actions in Ukraine
June	Motion from the Director General of the National Social Security Institute (INSS) concerning the improvements made to the service for representatives in "Tu Seguridad Social" (Your Social Security)
June	Motion of the Bank of Spain regarding the adoption of certain guidelines published by the European Banking Authority as specific guidelines
June	Statement of the Secretariat of the Commission for the Prevention of Money Laundering and Monetary Offences on non-cooperative jurisdictions in the fight to combat money laundering and terrorist financing included in the lists of the FATF and the European Commission (June 2022)
August	Motion of the Bank of Spain on the marketing of payment accounts at branch offices
September	Motion of the Bank of Spain regarding the public hearing of the draft circular on covered bonds
October	Motion of the Bank of Spain regarding the public hearing on the draft circular on the central credit registry
October	Motion of the Directorate General of the Treasury and Financial Policy on the request for data on the product "Basic Payment Account"
December	Communication from the Directorate General of the Treasury and Financial Policy on the procedure for joining the new code of good practice for mortgage debtors at risk of vulnerability
December	Motion of the Chairperson of the Coordination and Monitoring Commission of the Social Housing Fund proposing the extension of the agreement for a year
December	Motion of the Directorate General for Financial Stability, Regulation and Resolution regarding the code of conduct for contributors of data for the compilation of the average mortgage lending rate

2.3.3. Historical Archive



- Provisional title of the Caja de Ahorros de Manresa, which can be exchanged free of charge at the institution's branches for a savings book with an initial deposit of 50 pesetas (c.a. 1960). Paper. 15x11.5 cm. Gráficas Flos, Barcelona.

CECA's Historical Archive works is to preserve the historical memory and identity of CECA and make it available to economists, historians and researchers, to whom it provides guidance on searching for and locating documents and on the documentary and bibliographic collections in its custody.

The Archive comprises a valuable and extensive collection of documents that are grouped in two large sub-collections: one belonging to the savings sector, which begins in 1838, and one corresponding to CECA, whose documentation has been active since 1928, the year it was founded. Furthermore, the archive has a photographic and audio-visual background with an in icon. There is also an important collection of savings books, piggy banks, trophies and prizes, building plans and sheet music, among others.

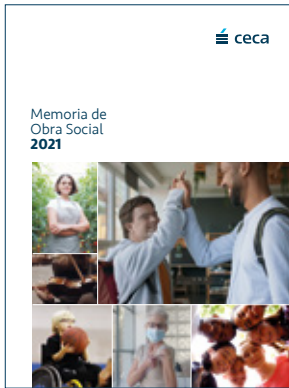
The CECA Historical Archives collaborate with several institutions, including the Ministry of Culture and Sport through the Census-Guide of Archives on Spain and Ibero-America, with the ESBG's Study Group on Savings Banks History and with the Bank of Spain, resulting in the *Guide to Historical Archives of Banking in Spain*.



- First poster created by CECA for World Savings Day (1962) Paper. 53x73 cm. Ilustración Bort. T. G. Llauguer, Barcelona.

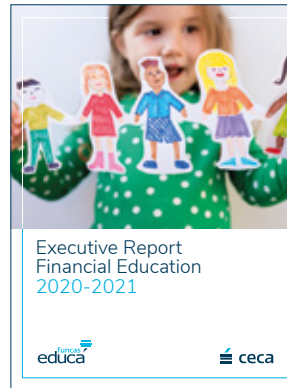
2.3.4. Publicaciones CECA

CECA compiles the most relevant information in the sector and stresses the aggregate impact. In 2022, the following publications were released:



Obra Social Report

The *Obra Social Report for 2021* shows that a total of 778 million euros were allocated to Obra Social and that 51,000 activities were executed to reach more than 25 million beneficiaries.



Financial Education Executive Report

The *CECA sector 2020 and 2021 Financial Education Report* is aimed at all segments of the population to learn about the actions carried out and helps to explain why these initiatives are necessary for a more robust financial culture. For the CECA sector, financial education is one of the top priorities, which is why, during the complex 2020-2021 period, its member entities allocated 4.298 million euros to promote, boost and improve financial education. Of the total investment, 3.025 million euros stem from the Funcas Educa Programme, promoted by CECA and Funcas for the fourth consecutive year. With this investment, a total of 7,918 activities were carried out.



CECA sector

This publication informs every month on the sector's regulatory and financial evolution, as well as news in both areas.



Statistical Yearbook

The *Statistical Yearbook* includes the most relevant and detailed statistical information on the sector, CECA member entities and their evolution over the years.



Ahorro Magazine

During 2022, the issue of the magazine *Ahorro* was published under the title “Committed to society and sustainability” with all current news on the CECA sector and its *Obra Social*. It was also a special edition given that it was the 500th issue of a magazine that has been published for eighty years.



Impact Report of CECA member entities

The *Impact Report of CECA member entities in 2021* gathers comprehensive information with a view to showing the joint contribution of the socio-economic impact of CECA’s member entities, providing continuity to the studies conducted in previous years. In 2022, the study was carried out with the help of the consultant KPMG, who provided the methodology, using data from 2021.



Report on financial inclusion in Spain

CECA, the AEB, and UNACC presented the *Report on Financial Inclusion in Spain*, prepared by the Valencian Institute of Economic Research (IVIE). This in-depth analysis of banking services in Spain outlines the map of access to financial services in Spain, particularly in rural areas.

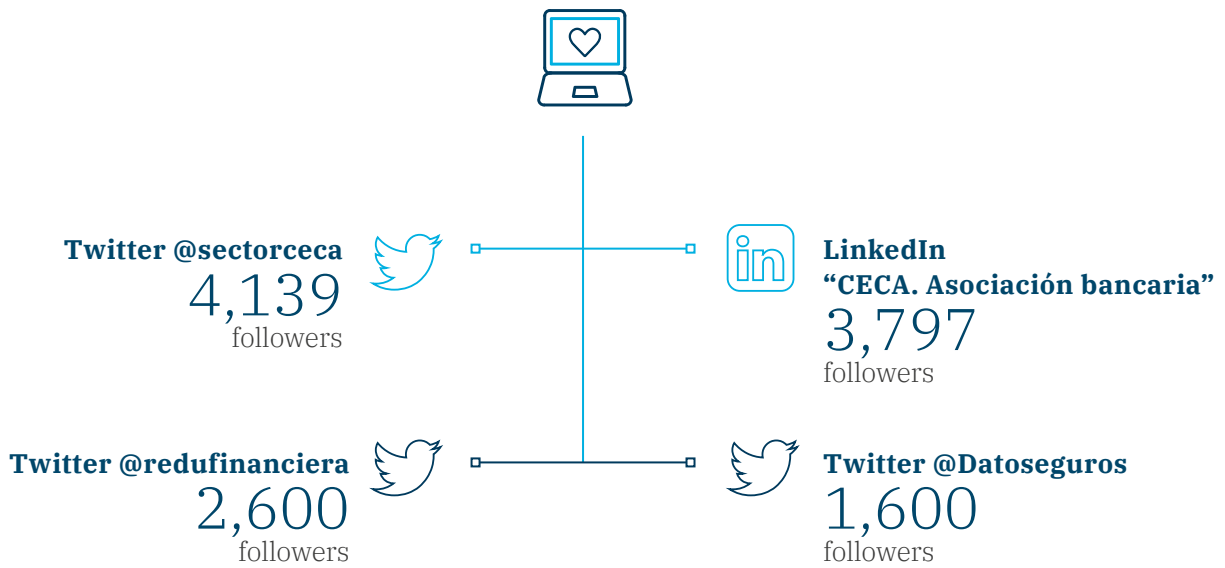
2.3.5. Our presence on social media

CECA maintains active communities on social media networks with up-to-date information about the sector. These communities focus on disseminating the activities of its members and promoting the missions they undertake in their financial activity and their Obra Social.

The entity is active on Twitter through the CECA corporate profile (@sectorceca), with more than 4,139 followers, and also on LinkedIn under “CECA. Asociación bancaria”, gaining institutional presence on this relevant social network with more than 3,797 followers.

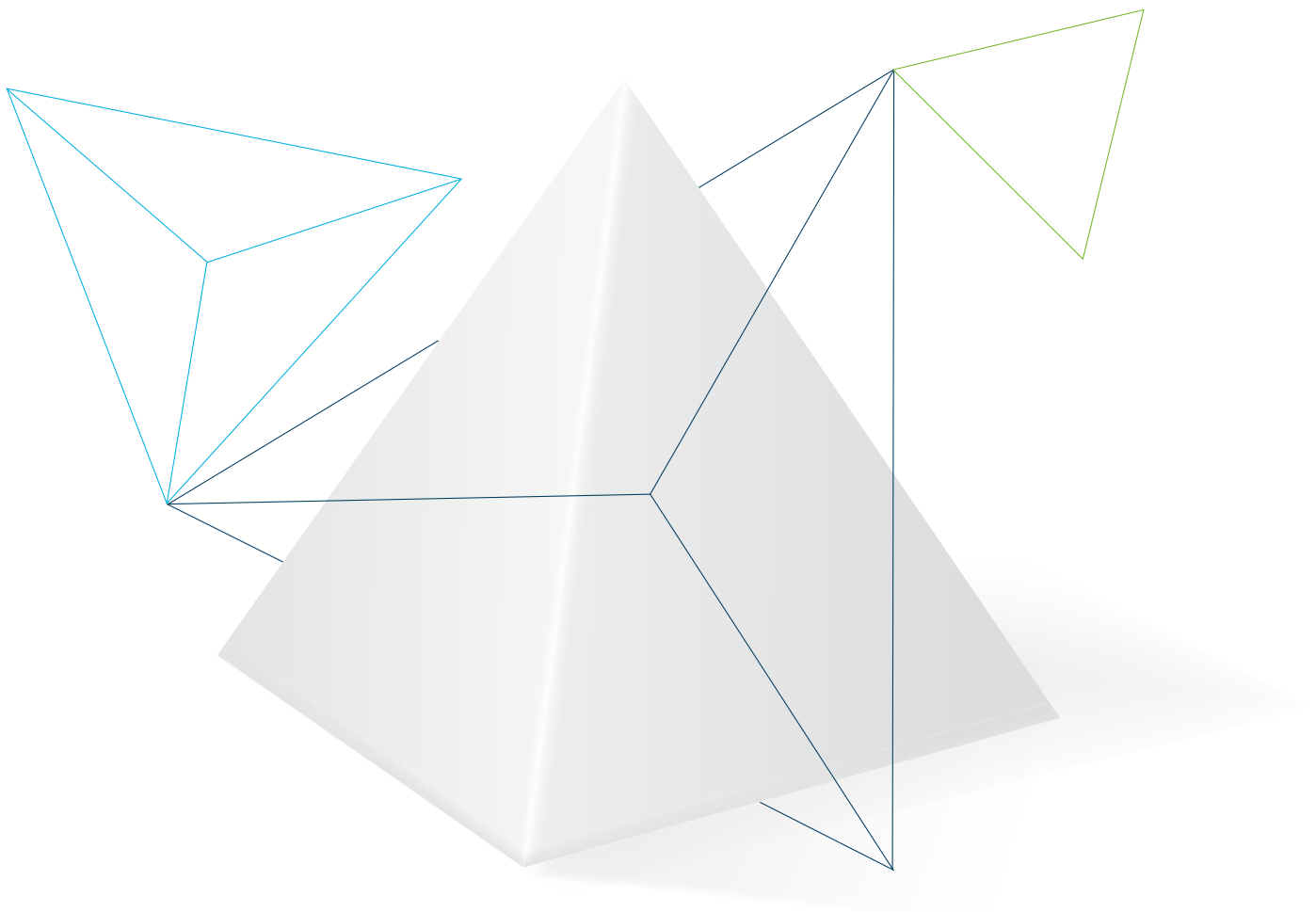
CECA has an official information channel on YouTube. The association is also on Twitter under the profile “Red Española de Educación Financiera” (@redufinanciera) with more than 2,600 followers, focused on the exchange of knowledge and experiences in financial literacy.

Furthermore, CECA’s digital project “Nuestros Datos Seguros” [Our Secure Data], a web portal for learning about data use, privacy and security online, has a presence on Twitter (@Datoseguros), with 1,600 followers, and on LinkedIn and Facebook.



Governing Bodies

CECA's governance and administration correspond to the General Assembly and the Board of Directors, in accordance with the competences provided in each case by the By-laws.



3.1. General Assembly



□ Isidro Fainé, Chairman of CECA, José María Méndez, CEO of CECA.

▶ The General Assembly is CECA's **most important governing and decision-making body** and is made up of representatives appointed by the Savings Banks and other member credit institutions.

The members of CECA's General Assembly represent the general interests of savings and savers.



Functions

Amongst other functions established in the By-laws, the General Assembly is tasked with the following:

□ Defining the broad lines of the action plan on an annual basis

□ Appointing members of the Board of Directors.

□ Confirming the appointment of the CEO as proposed by the Board of Directors.

□ Approving the annual accounts and the distribution of profit.

□ Creating and dissolving charitable and social works.

□ Approving their budgets and the management thereof.

Sesiones

The General Assembly is **held in one ordinary session every year** within the legal period. It also has extraordinary meetings whenever called by the Board of Directors, or with the agreement of representatives designated by savings banks and other entities associated with CECA, representing at least one tenth of the votes attributable to total member entities.

The **CECA Ordinary General Assembly** met on 29 March 2022 at registered office and attended by representatives from Savings Banks and other CECA member credit institutions.

The **CECA Ordinary General Assembly** on 29 March 2022 adopted the following resolutions:

- The **approval of CECA's consolidated and individual annual accounts** (balance sheet, income statement, statement of changes in equity, cash flow statement and the notes to the financial statements), the management report and the distribution of profits, as well as the management of the Board of Directors, all corresponding to financial year 2021.
- The approval of the Consolidated Non-Financial Information Statement corresponding to financial year 2021.
- The re-election of the external auditor of the company's accounts for 2022.
- Ratification of the appointment of Mr. José Pla Barber as member of the Board of Directors.
- Settlement of the budget for Obra Benéfico-Social for financial year 2021 and the OBS (Funcas) budget for 2022.

Prior to the Ordinary General Assembly, the individual and consolidated annual accounts, the management report, the non-financial information statement and the auditors' reports, all corresponding to financial year 2021, among others, were made available to Ordinary General Meeting.



□ Isidro Fainé durante su discurso en la 115ª Asamblea General Ordinaria de CECA.



□ From left to right, members of the CECA Board of Directors: Fernando Conlledo, Non-member Vice Secretary, José Ignacio Goirigolzarri, Deputy Chairman, Isidro Fainé, Chairman, José María Méndez, CEO, and Josep A. Cifre, Director Secretary.

3.2. Board of Directors

→ The Board of Directors is tasked with administering, managing and representing CECA.

The composition of the Board of Directors at 31 December 2022 is:

Chairman

Isidro Fainé Casas

Director Secretary

Josep A. Cifre Rodríguez

Deputy Chairman

José Ignacio Goirigolzarri Tellaeché

Non-member Vice Secretary

Fernando Conlledo Lantero

Members

Manuel Azuaga Moreno

Juan Carlos Escotet Rodríguez

José Pla Barber

Francisco Serrano Gill de Albornoz

Antón Joseba Arriola Boneta



Functions

The Board of Directors is the body responsible for, among other things, the institution's governance and administration function and for representing it in all matters related to its trade and to lawsuits, with the powers expressly conferred upon it by the By-laws.

This Board of Directors comprises the number of members designated by the General Assembly, which may be no less than five and no more than fifteen. In addition, all the Savings Banks and Savings Bank Groups are **represented by the Board of Directors**.



Directors

The proposals of Board members **will be presented by the Savings Banks and the Savings Bank Groups**.

The appointments will only go to people who represent the Savings Banks and other member credit institutions. However, the member entities will be able to promote Presidents of CECA associates as Members of the Board of Directors.



Meetings

According to the By-laws, the Board must hold at least six meetings a year, called by the Chairman.

In 2022, the Board of Directors met on eleven occasions, at the Chairman's initiative.

The Chief Executive Officer and the entity's Secretary General, who acted as the non-member vice secretary, attended the Board meetings.

3.3. Executive Committee

▶ CECA's Board of Directors may delegate their powers to the Executive Committee, with the exception of the powers related to submitting proposals to the General Assembly and the powers specially delegated to the Board, unless it is expressly authorized to do so.

CECA's Executive Committee comprises the Chairman, the Deputy Chairman and the Secretary to the Board of Directors.

CECA's CEO attends the meetings held by the Executive Committee, with a right to speak but not to vote.



3.4. Foundations and Obra Social Commission



□ Centre, Antón Costas, Chairman of the Spanish Economic and Social Council, during his speech.

► It is the main forum for exchanging experiences, cooperation and research in relation to Obra y Acción Social (social work and action). This body is advisory by nature and is linked to CECA's own Obra y Acción Social, Funcas.

The functions of the Foundations and Obra Social Committee are:

- **To advise the Board of Directors** on the questions it poses in relation to the social projects of savings banks, banking foundations and ordinary foundations related to members.
- To serve as a **nucleus for the exchange of experiences, cooperation and research** related to all the issues associated with social projects or which affect them. This committee also has an executive body, the Foundations and Obra Social Executive Committee, which develops and implements the decisions made.

The main forum for exchanging experiences, cooperation and research in relation to Obra Social

Economic information and results

Annual Report 2022



4.1. CECA Annual Accounts

4.2. Annual Accounts of CECA and subsidiaries in the CECA Group



Executive summary 2022