

# 2023

## Integrated annual report



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# An overview of 2023



## Responsible governance

### ECONOMIC MANAGEMENT AND FINANCIAL RESULTS

**€51.4 M**

earnings for the  
financial year

**+ 28 %**

compared with 2022

**€11,014 M**

assets under management

**€1,446 M**

loan book

**2.5%**

non-performing loan ratio  
(average EU banks\* 2.30%)

**109.5%**

NPL coverage ratio  
(average EU banks\* 102.74%)

**14.17%**

ROE (average EU banks\* 9.31%)

**21.14%**

solvency ratio CET1 *Fully Loaded*  
(average EU banks\* 15.73% *phase in*)

**299.08%**

liquidity coverage ratio (LCR)  
(average EU banks\* 164.36%)

**BBB-**

Stable since 2015 (last update:  
December 2023)



## National institution

### COMMITMENT TO THE COUNTRY

**€74,531**

raised with Solidarity Cards

**2.8%**

of profit in community  
initiatives

### CLIMATE CRISIS

**3.38** tCO<sub>2</sub> eq

emitted per employee



## Growth of people

### CLIENT EXPERIENCE

**21,882**

followers on social media

**57.8%**

digital clients

**+72%**

logins to online banking

**+123%**

transactions made through  
online banking

### WORKFORCE

**453**

people

**60,696**

hours of training

**49%**

women in the workforce

**95%**

permanent contracts

\*Data 4Q2023 relative to "significant institutions" [www.bankingsupervision.europa.eu](http://www.bankingsupervision.europa.eu)

Note: M€: millions of euros.



# Letter from the Chairman

2023 has been a year marked by significant changes in several areas, from geopolitical tensions to environmental challenges. On a global scale, we have witnessed a scenario of uncertainty fuelled by conflict in areas such as the Middle East and the continuation of the war in Ukraine, together with escalating concerns about the climate crisis, highlighting the need to act urgently and in a coordinated manner.

Regarding the economic events of 2023, several notable transformations have shaped the global landscape. The post COVID-19 economic recovery has been a core factor, with some variability between regions. In addition, we have seen a significant increase in the digitalisation of economies, with sectors such as technology and finance experiencing accelerated growth. However, challenges related to interest rates have emerged as a growing concern, with central banks navigating between economic stimulus and containing inflation.

In Andorra, according to the analyses of the International Monetary Fund, the economy held up well during 2023, growing above its long-term potential despite the adversities. In 2023 it recorded 2.3% growth, driven by the service sector and a record number of visitors. Unemployment was practically non-existent (1.2% in the third quarter of 2023) and wage pressures are noticeable in view of the loss of purchasing power. Inflation remains high, at 5.6%, fuelled by increases in housing, water, gas, electricity and food.

In December 2023, the Government of Andorra reported the end of the negotiations of the Association Agreement with the European Union, an agreement that, according to the leaders, will boost growth and diversify the economy, offering new opportunities. This is a very momentous agreement for the country and also for the sector with the application of the four freedoms of movement: people, goods, services and capital, plus the adoption of the entire community flow in each area of the Association. From MoraBanc we have been very attentive and very active throughout the process to contribute our knowledge and experience in order to join efforts. From Andorran Banking we have been

present at the sectoral meetings called by the Government and thus address and provide a response to the specificities of the financial sector. However, Andorra is also faced with the challenge of improving digitalisation and speeding up efforts to adapt to climate change.

For MoraBanc, 2023 has been an important year, a year marked by good results both in the economic field and in the growth of our people and commitment to the environment. In March a year ago, we incorporated an ambitious ESG strategy (environmental, social and governance) adapted to our institution to accompany the growth and actions of the group. This allows us to move forward on three fronts, which are: **responsible governance**: to consolidate a leading banking model in solvency, liquidity and profitability, managing risks and opportunities and valuing the principles of business ethics and responsible investment; to be a **nation-building institution**: to contribute to and stimulate economic activity in the regions where we do business; and the **growth of people**: to work on digitalisation and excellence in our experience as an institution, with talent management, training and well-being, and with a product and service portfolio that meets new expectations.

In the first block, in 2023 we can report very good results. The Group's profit was 51.4 million euros, 28% higher than the previous year, building on a 16% increase. The solid growth in our profits reflects MoraBanc's ongoing commitment to long-term sustainability. The focus on increased revenue growth, expansion of our client base and operational efficiency has proven successful once again. On the one hand, the successful merger with BancSabadell d'Andorra has been a success in growing within our main market, gaining market share and establishing a profitable commercial and private banking model. On the other hand, the digitalisation of services is an essential element to increase the customer base and offer more services. Banking today is digital. However, this business model cannot be sustainable without a rigorous quality of service from all the people who, directly or indirectly, serve our clients. This is of

crucial importance and we have stressed this point from the highest level. We have built a business model over the years that responds to what our audiences or stakeholders ask of us.

In 2023, our assets under management stood at 11,014 million euros, maintaining a loan portfolio of 1,446 million euros even though there is some deleveraging in our clientèle due to the cancellation of loans in the high interest rate scenario we are currently in. However, the non-performing loan ratio improved, standing at 2.46%, while the NPL coverage ratio also increased to 109.5%. The strength of the balance sheet remains a management priority, and we showed a solvency ratio (CET1 fully loaded) of 21.14%, 3 points above 2022 and a liquidity ratio of 299.08%, which reflects the excellent liquidity situation that the institution has been able to maintain, even after of the purchase of BancSabadell d'Andorra in 2021.

Regarding the institution's profitability, we presented an ROE (*return on equity*) of 14.2%, even improving upon that of 2022. This financial year we continue to lead the solvency, liquidity and profitability ratios in the Andorran market and we also stand above the European Union banking average. The MoraBanc group is solid and ready for the challenges of the sector and the country.

Our international business is also having a very good year. Our international Boreal subsidiaries are all profitable and enjoy positive earnings, including our cultural commitment to Casa Vicens. In Spain, we continue with sustained growth in the client numbers and we are confident of positive profitability very soon, even ahead of the forecasts. With regard to Spain, I would like to refer to the completion of the negotiations, in March this year, to acquire a majority holding in the capital of Tressis, a private investment banking firm with a strong position and reputation, and with an extensive presence in the Spanish territory. Over the last few years, we have demonstrated our quality in service and a differential offering based on personalised, approachable banking. Now we are poised

for growth on a larger scale, adding value from an institution with the prestige of Tressis, further highlighting our product offering. When the operation is completed, the MoraBanc group will have a total of 18 billion euros of assets under management, with our international subsidiaries in Zurich, Miami and Spain surpassing the volumes of Andorra. The diversification of the business is essential in order to stay competitive and be able to make the necessary regulatory, service and digitalisation investments.

Regarding our contribution and revitalisation of the economy, within the framework of the national institution's strategic line, we highlight two actions of primary importance for us: the commitment to the community and the fight against the climate crisis. This year we are contributing 2.8% of our profits in favour of the community with cultural, social and sports projects, but we are also working towards economic development. We want to promote the sustainable transformation of the country, which is why we want to be an agent of change, not only with our activities and our way of doing responsible banking, but also by contributing to the decarbonisation of our clientèle.

Finally, supporting people's growth will be the axis that will allow us to stand out from the crowd, improve the trust with all our target audiences and prosper as a community. Here I refer to two essential groups: our employees and our clientèle.

Managing our internal talent, being an attractive organisation to bring aboard new generations, ensuring equality or generating opportunities, are the key to our success and our activity. At MoraBanc we approved the equality plan last March to comply with Law 6/2022, we have strengthened family work-life balance measures and, in addition to other social benefits, we have created a retirement plan for everyone in the organisation. During 2023 and continuing into 2024, we have invested in improving our facilities to provide people with a more comfortable, pleasant space adapted to the workplace, which has an impact on the quality of life of our employees and clients. Our people's loyalty



and satisfaction is one of the pillars to keep moving forward and growing.

Digital transformation has been one of our management pillars during 2023, and will continue to be so in the coming years. However, in the year that has just finished, we have focused on putting our clients at the centre of our technological spectrum by making all our processes more agile in order to offer an increasingly better and higher quality service. Innovation in products and services has also been at the forefront with new operations in online banking, the activation of the Bizum service or the Garmin Pay™ method. We approach clients of all generations to make banking easier for them.

I will end with a look to the future. 2024 appears set to be a year of continued economic growth, but geopolitical tensions will persist, especially in international trade and cybersecurity. The climate crisis continues to become more pressing and the rise of artificial intelligence will also be a key factor, raising ethical and security issues. In short, 2024 will be a year of changes and challenges that will require cooperation and innovation to face them successfully, and at MoraBanc we will be ready to guarantee long-term sustainable growth.

**Juan Maria Nin Génova**

01

# ABOUT THE MORABANC GROUP

MoraBanc was founded in 1952; since then the Group has always invested in the development of Andorra, with a long-term perspective and a banking model oriented towards the sustainable growth of the country and the people who live there, as well as in the implementation of new strategies to tackle present and future challenges.



# The MoraBanc group

The Group is made up of:

## MORA BANC GRUP, SA

whose corporate purpose involves all manner of transactions that banking institutions can perform under current Andorran law.

## MORA ASSEGUANCES, SAU

whose purpose is to conduct all manner of insurance, reinsurance and risk coverage activities in the life insurance sector.

## MORA GESTIÓ D'ACTIUS, SAU

whose purpose is to manage collective investment bodies, conduct discretionary and individualised portfolio management activities and provide advice on investments.

## MORA WEALTH MANAGEMENT ESPAÑA AV, SAU

a securities agency authorised to provide investment services, discretionary portfolio management, financial advice, receipt and transmission of orders for financial instruments and their related custodial and administration services. In February 2024, MoraWealth was authorised as a securities company, expanding its range of activities with the granting of investor loans and credits.

## BOREAL CAPITAL MANAGEMENT, AG

whose activity involves equity management and financial consultancy.

## BOREAL CAPITAL HOLDINGS USA, LLC

investment holding company. It acts as the head of the other companies established in the US:

- **Boreal Capital Management LLC**, whose purpose is to provide equity management and financial consultancy.
- **Boreal Capital Securities LLC**, which carries out the activity of a *broker-dealer*.

## CASA VICENS-GAUDÍ, SAU

is a public limited company under Spanish law whose corporate purpose is the acquisition and development of property assets and the use thereof for cultural purposes.

# The business model

MoraBanc offers its clients commercial banking, private banking and *wealth management* services, investment funds managed by the Group's management company and insurance by the Group's insurance company.

# 18

client service points

# 100%

of the population of Andorra has a branch in their parish

## Client service points

### INDIVIDUALS

ANDORRA LA VELLA  
(Plaça Rebés, 8)  
(Av. Meritxell, 85)  
(Av. Fener, 7)  
(Av. Meritxell, 96)  
PAS DE LA CASA  
(Encamp)  
CANILLO  
ESCALDES-ENGORDANY  
ENCAMP  
LA MASSANA  
ORDINO  
SANT JULIÀ DE LÒRIA

### BUSINESS

ANDORRA LA VELLA  
(Av. Meritxell, 96)

### PRIVATE BANKING

ANDORRA LA VELLA  
(Av. Meritxell, 96)

### INSURANCE

ESCALDES-ENGORDANY

### EQUITY MANAGEMENT

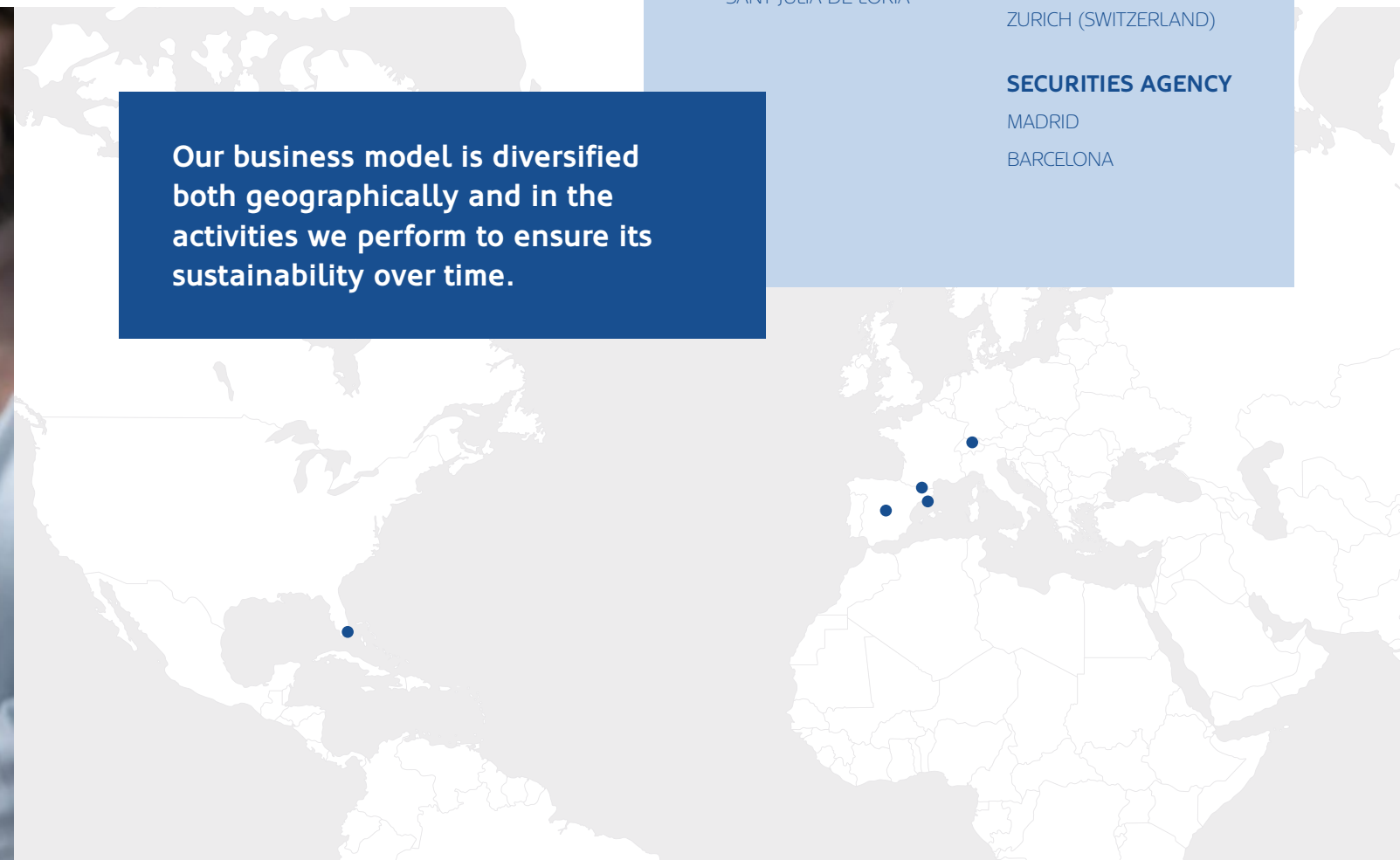
MIAMI (USA)  
ZURICH (SWITZERLAND)

### SECURITIES AGENCY

MADRID  
BARCELONA

Our business model is diversified both geographically and in the activities we perform to ensure its sustainability over time.

Value creation is our main goal; we aim to have a positive impact on our stakeholders and satisfy the needs of our clientèle by offering products and services of the highest quality.





7

specialised value propositions

€12,460 M

volume of operations in 2023

## Commercial banking

Focused on banking for individuals, businesses, companies and professionals. MoraBanc has a people-focused culture and designs products and services suitable to their needs. We conduct commercial segmentation in accordance with the needs of each group, taking into account age and behavioural habits. Our commitment to new technologies provides a richer relationship with our clientèle and helps maintain a closer dialogue.



### PRODUCTS AND SERVICES

#### BANKING FOR INDIVIDUALS

- Life insurance
- Accounts and cards
- Savings
- Mortgages
- Loans and credits
- Investment products
- Investment consultancy
- Discretionary and individualised portfolio management
- MoraBanc Digital
- Receipt, transmission and execution of orders

#### BANKING FOR COMPANIES

- Management of payments and collections
- Credit cards
- Investment products
- Treasury management
- Investment consultancy
- Personalised attention
- Discretionary and individualised portfolio management
- MoraBanc Digital
- International business
- Reverse Factoring
- Loans and credits
- Payment solutions such as POS terminals

## Private banking and wealth management



### PRODUCTS AND SERVICES

#### PRIVATE BANKING

- Life insurance
- Investment consultancy
- Online broker
- Range of loans and mortgages
- Discretionary and individualised portfolio management
- MoraBanc Digital
- Receipt, transmission and execution of orders
- Credit cards

#### WEALTH MANAGEMENT

- Investment consultancy
- Choice of custodian bank
- Financial equity structuring
- Discretionary and individualised portfolio management
- Receipt, transmission and execution of orders

## Mora Gestió d'Actius, SAU



### PRODUCTS AND SERVICES

#### MORABANC ASSET MANAGEMENT

- Disclosure and dissemination of our experts' market vision
- Investment funds and SICAVs

The Group's collective investment body management company, which operates under the MoraBanc Asset Management brand with a varied and competitive range of mutual funds.

## Mora Assegurances, SAU

The Group's life insurance company, which seeks to offer all kinds of life insurance and complementary health guarantees linked to said life policies. In addition to life insurance, the institution offers savings and welfare products such as pension and retirement plans. It also provides our clients with Unit Linked products, which may be MoraBanc Unit Linked Funds, MoraBanc Unit Linked Portfolios or MoraBanc Unit Linked Assets, depending on the assets to which they are linked.

# MoraBanc's value creation process



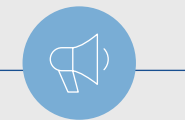
## Our key capitals

- CAPITAL FINANCE**  
Available pool of funds, obtained through financing or generated through operations  
**299.08% in Liquidity**  
(Average yearly LCR value)  
**21.14% solvency BIS III CET 1**  
**€11,014 M in assets under management**
- PHYSICAL CAPITAL**  
Organisation's buildings and equipment for the provision of its services  
**1 central services building**  
**18 client service points**  
**25 ATMs**
- HUMAN CAPITAL**  
Staff and their skills, abilities and experiences  
**453 people make up staff**  
**60,696 hours of training**
- INTELLECTUAL CAPITAL**  
Intangibles based on the organisation's knowledge  
**70+ years' banking experience**  
**Talent management plan**
- SOCIAL AND RELATIONAL CAPITAL**  
Shared norms, stakeholder relationships and intangibles linked to the brand and reputation  
**2.8% profit devoted to the community**
- NATURAL CAPITAL**  
Environmental resources that provide the organisation's assets and services  
**Commitment to the Biosphere Reserve**

## The creation of long-term value

### BUSINESS MODEL

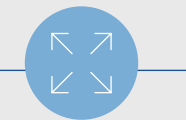
- RETAIL BANKING
- CORPORATE BANKING
- INSTITUTIONAL BANKING
- PRIVATE BANKING
- INTERNATIONAL BANKING



- BRAND AND MARKETING**
- Advertising
  - Brand
  - Segmentation and value proposition
  - Commercial campaigns
  - Sales support



- OFFERING OF OWN AND THIRD-PARTY PRODUCTS**
- Loans to families, companies and businesses
  - Consulting and equity management
  - Life and health insurance
  - Investment and savings products



- DISTRIBUTION**
- Multichannel
  - Client management (acquisition, identification, administration)
  - Sales management (origination, closing, maintenance)



- OPERATION AND CONSULTATION**
- Management of payments and collections
  - Purchase / sale of securities and funds
  - Position-related queries
  - Transaction-related queries
  - Investment monitoring



- CLIENT EXPERIENCE**
- Follow-up
  - Client service
  - Problem-solving and complaints handling
  - After-sales

- CORPORATE CAPABILITIES**
- Management, Strategy, Governance and Regulatory Compliance
  - Financial planning and control
  - Risk management
  - Treasury management / ALM
  - Technological Management and IT Security
  - Resource management
  - Human resources
  - Management of third parties, purchases and real estate
  - Analytics

## The value we created for our stakeholders

- CLIENTS**
- €1,446 million loan book
  - 18 products with ESG criteria
  - 123% growth in online banking transactions
  - 17.3% of clients with Bizum

- PEOPLE**
- 95% permanent contracts
  - 62 new hires
  - 11.2 years in average seniority
  - 49% women
  - 133.99 average training hours per person
  - 100% of staff with ESG training

- SHAREHOLDING**
- 345 shareholders
  - €51.4 million earnings for the year
  - 28% growth
  - 14.17% profitability (ROE)
  - Institution rating from Fitch: BBB-

- SOCIETY**
- 2.8% of the profits invested in social projects

- THIRD SECTOR ORGANISATIONS**
- 64 beneficiary institutions
  - €74,531 collected with the solidarity donation card

- GENERATION OF ACTIVITY**
- 346 jobs created indirectly and induced by multiplier effect.
- Andorran Banking Report. Contribution of the financial sector in the Andorran economy, January 2024



# Our reason for being

The purpose of the MoraBanc group is to create value by generating a positive impact over the long term for all target audiences.

## Mission

Our mission is to meet our customers' needs and meet their expectations, with an organisation whose mission is to create value, with quality as a distinctive competitive feature.

At MoraBanc we carry out our mission with the understanding that we have to listen to our clients and other target audiences by offering them products and services that meet their needs. We also act as a driver of economic activity and well-being in the markets in which we operate; this means being committed to sustainability and the inhabitants of the country. For this reason, we strive to attain the sustainable development of Andorra and to position ourselves as a model for other operators and companies in the market.

## Vision

To be the best bank for our clients, the best company for our employees, to have the best technology at the service of people and to be a leading bank.

## Values

- Ethics and professional integrity.
- Respect for the clients, for society, for working people and for the law.
- Transparency.
- Innovation.



# Associations and alliances

## MORABANC IS A MEMBER OF VARIOUS REGIONAL AND SECTORAL ORGANISATIONS

Andorra Cluster of Innovation and New Technologies (ACTINN).

Association of Andorran Banks - Andorran Banking.

Chamber of Commerce, Industry and Services of Andorra.

Cercle d'Economia.

Business Confederation of Andorra (CEA in its Catalan initials), through Andorran Banking.

DEC Spain (Association for the Development of Client Experience).

Andorran Family Company.

Andorran Institute of Legal, Economic and Financial Studies (JEF in its Catalan initials) through Andorran Banking.

Institute of Stock Market Studies.

Board of Trustees of the Miró Foundation.

## WE FORGE ALLIANCES AND STRATEGIC AGREEMENTS WITH LEADING FIRMS IN A WIDE RANGE OF FIELDS TO ENHANCE OUR VALUE PROPOSITION

Exclusive agreement with Goldman Sachs Asset Management, which adds value for our clients and strengthens our portfolio management and client advisement.

Alliance with the Pyrénées group to develop consumer financing.

Collaboration with the prestigious Cuatrecasas law firm to provide internal and external training.

Collaboration agreement with Banco Santander for the international reverse factoring service.

Joint venture with Accenture/CSIA for technology development and maintenance services.





02

# STRATEGY AND SUSTAINABILITY

At MoraBanc we understand sustainability as a responsibility beyond corporate social responsibility and environmental policies. It is a voluntary commitment to our environment, to our target audiences and to society as a whole that is integrated into our strategy throughout the institution.



# Strategic priorities



**Our strategic pillars allow us to create long-term value with a sustainable economy and generate a positive impact.**



## DIGITALISATION

MoraBanc aims to be a data-driven organisation where all processes and decisions are based on data, analysis and information. To achieve this, we work above the glass with the departments of Client Experience, with a commercial model and with CRM; and below the glass with Business Intelligence, Business Analytics and the cloud, with the digitalisation of processes and means of payment.



## ORGANISATIONAL CULTURE

At MoraBanc, we promote values to be a more attractive company for people and talent. In this regard, we work on social values to align the institution with the concerns of society with projects such as our sustainable mobility plan, equality plans and the inclusion of ESG criteria across the board.



## INTERNATIONAL GROWTH

From a geographical standpoint, MoraBanc has operations in Andorra, Switzerland, the United States and Spain. In 2023, we have followed the upward trend by diversifying our resources in private banking, empowering our subsidiaries to increase the number of assets under management.



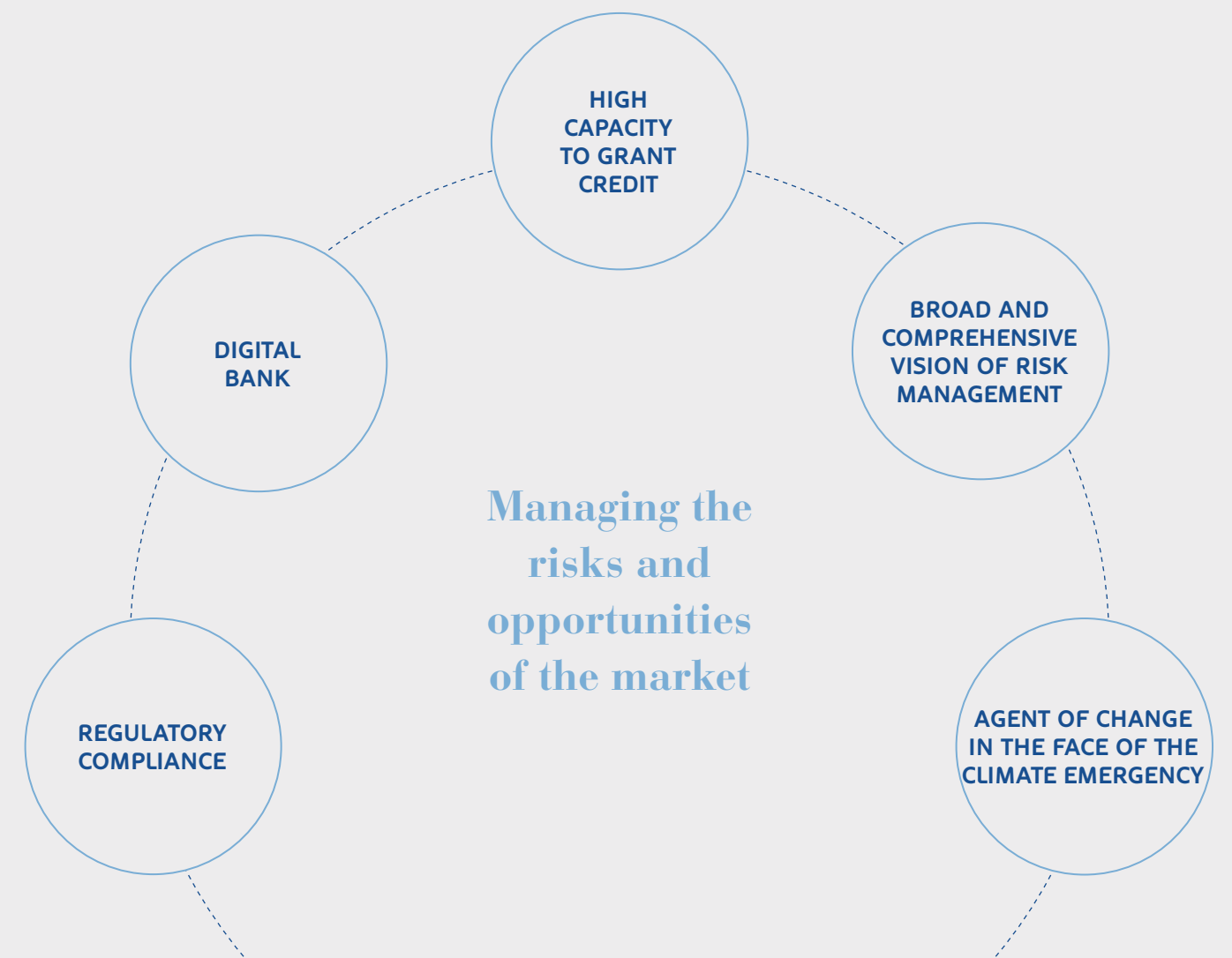
## BUSINESS GROWTH

In Andorra, a market where we maintain our commitment and main focus of action, growth has been possible because we have provided all the means to respond to our clients' real demands.

# Managing the risks and opportunities of the market

MoraBanc adopts a comprehensive strategy to manage market risks and opportunities, with the aim of ensuring financial soundness and promoting the institution's sustainable growth. Using a proactive approach, the institution comprehensively analyses the risks inherent in its operations and the markets where it does business, taking steps to effectively mitigate them.

At the same time, MoraBanc maintains a receptive attitude towards emerging opportunities, seeking to identify those that are in line with its strategic objectives and that can contribute to creating value for its clients and shareholders. By combining risk surveillance and an opportunity-oriented outlook, MoraBanc is committed to ensuring competitiveness and durability in a changing and complex business environment.





# Our commitment to sustainability

## ESG Policy of MoraBanc

In December 2023 the Board of Directors approved the **ESG policy of the MoraBanc group**, which defines the principles that shall govern the institution's ESG activities:

Align the conduct with the principles contained in the Code of Ethics and the rest of the corporate rules that regulate the conduct of MoraBanc employees in carrying out the activity.

Incorporate the assessment of ESG risks and opportunities in the institution's risk management.

Ensure compliance with the new legislative requirements in matters of sustainability.

Encourage the well-being of MoraBanc workers by creating a safe working environment, in which there are equal opportunities and any type of discrimination is avoided.

Support clients in their transition towards a sustainable business model, acting as a driver of behaviours and actions aligned with ESG aspects.

Contribute to the sustainable development of Andorra and the regions where we do business and manage to be a driving force in the country's sustainable economy.

Set objectives in social matters that measure the degree of progress of the institution with regard to its contribution to global challenges through initiatives that generate a positive impact.

Following the strategic line of positively influencing the immediate environment, priority ESG topics and associated processes can be complemented in the case of subsidiaries in other countries to adapt to the specific regulatory context.

The Board of Directors is responsible for approving, supervising and periodically assessing the definition, development and implementation of the ESG strategy. In this regard, it is also responsible for approving, supervising and following the effectiveness of the ESG Policy and the commitments included therein.

It is the responsibility of the institution's ESG Management to ensure the integration and application of the basic principles contained in this Policy, in the respective areas of authority, as well as to review it and propose the corresponding updates to the Board of Directors .

The roles and responsibilities of ESG Management, with direct involvement in the Policy, are:

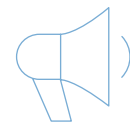
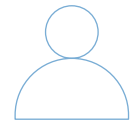
- To lead the company's ESG culture, with a specific contribution to decisions affecting staff, the environment and procurement, clients, marketing, and institutional and shareholder relations.
- Coordinate, monitor and report on the implementation of the current ESG strategy.
- Work on the implementation of the actions set out in the ESG strategy.
- Develop and monitor the deployment of key indicators (KPIs) and the ESG reporting system.
- Decide on the ESG content included in the integrated annual report.
- Coordinate environmental operations at the institution.
- Identify and evaluate projects or pilot programmes to be at the forefront of ESG in our financial products.

**MoraBanc has a firm commitment that its actions must follow the responsible banking model and ensures that the business it carries out is done in accordance with a set of values and principles that aim to achieve the creation of sustained value for its shareholders, workforce, clients and society as a whole.**





# Dialogue with our stakeholders



## STAKEHOLDERS

## NEEDS AND EXPECTATIONS

## CHANNELS OF COMMUNICATION AND DIALOGUE

<b>Shareholders</b>	Long-term stability of the business, distribution of profits, the best possible management of the institution through ethics and commitment, and ensure client satisfaction.	Meeting of Shareholders, newsletter, contact with representatives in the Board of Directors, media, annual report.
<b>Working people</b>	Ensuring jobs with equal opportunities, in an environment that facilitates work-life balance, security, client satisfaction and business ethics.	In-house social network Yammer, corporate email, meetings with general management, notice board and intranet.
<b>Clients</b>	Be a responsible business that offers the best products available to its clients with transparent and ethical conduct, with a commitment to society and the economy.	Periodic newsletters with information, email, website and online banking, face-to-face at the branch, media, social networks, annual report.
<b>Public administration agencies and governments</b>	Contribute to economic growth, comply with the law and best practices, and manage the business ethically and transparently.	Public website, media, regular meetings.
<b>Business partners</b>	Contribute to economic growth, comply with the law and best practices, and manage the business ethically and transparently.	Annual report, website, meetings with representatives for information on demand, partnership agreements.
<b>Competing companies</b>	Attracting talent, joint management of sector interests, innovating in products and services, guaranteeing competition.	Public website, media, annual report, social networks, Andorran Banking.
<b>Supplier companies</b>	Maintain economic activity in our environment to guarantee outsourcing, with ethical management, ensuring regulatory compliance.	Public website, media, regular meetings.
<b>Media</b>	Transparency in communication.	Public website, issuance of press releases and press conferences, regular meetings.
<b>Organisations in the banking or business sector</b>	Contribute to economic growth, comply with the law and best practices, and manage the business ethically and transparently.	Public website, media, regular meetings.
<b>Third sector organisations</b>	Commitment to society, the environment, the future and economic development, ensuring equal opportunities, business ethics and customer satisfaction.	Website, annual report, press, meetings with representatives of the entities.
<b>University and/or academic education institutions</b>	Commitment to talent management, equal opportunities, investment in innovation and ethical and professional management.	Website, annual report, press, social networks, regular meetings.

# Materiality Analysis

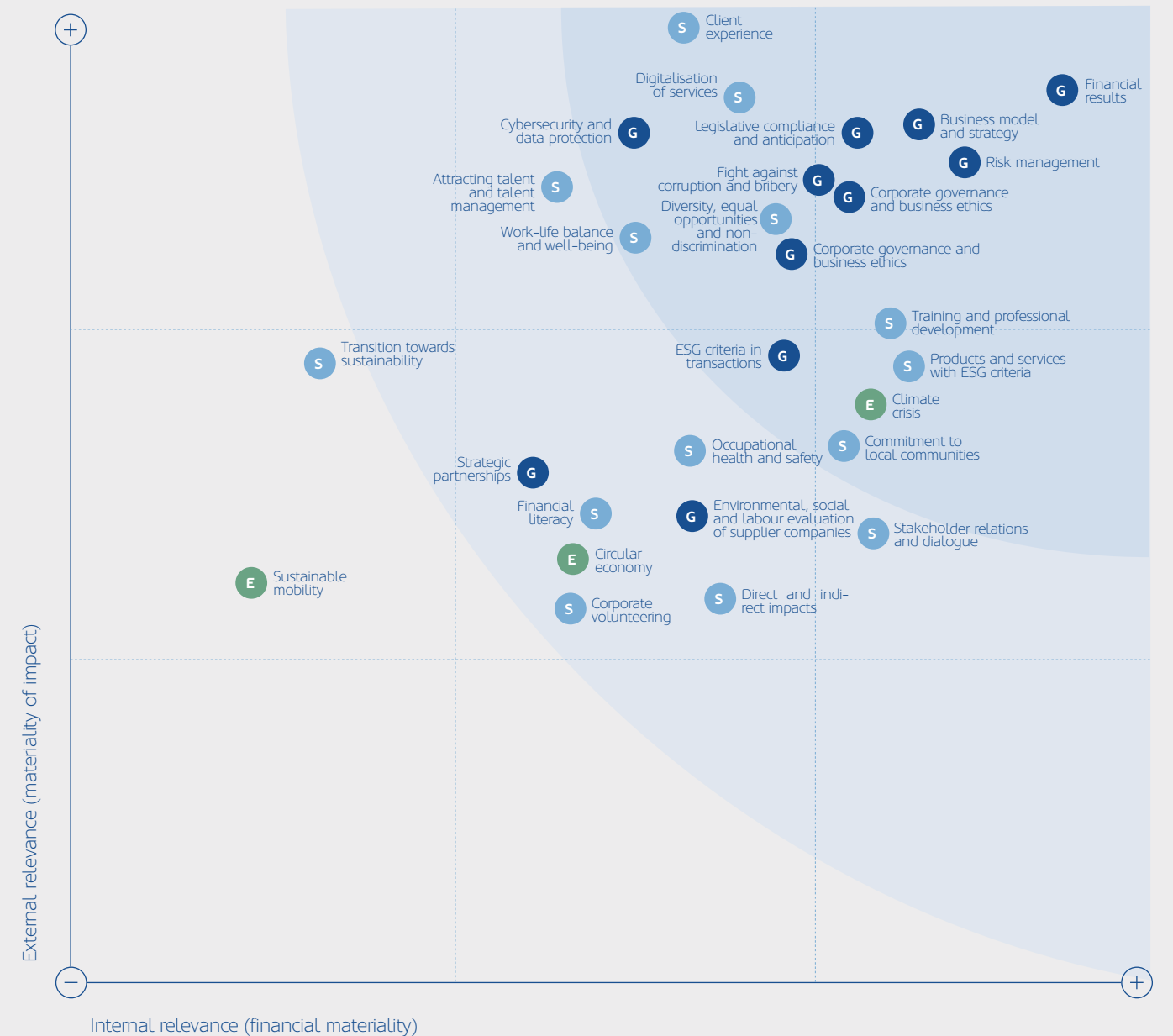
MoraBanc has carried out a materiality analysis in 2023, taking into account a two-pronged approach:

Impact of sustainability issues on the institution.

Qualitative analysis of issues important to MoraBanc's stakeholders related to a greater impact of the business on the environment.

## MATERIALITY MATRIX

G Governance S Society E Environment





STRATEGIC LINE	MATERIAL ISSUES
Responsible governance	<b>Risk management</b>
	<b>Financial results</b>
	Corporate governance and business ethics
	<b>Legislative compliance and pre-emption</b>
	Fight against corruption and bribery
National institution	Corporate transparency in products and services
	ESG criteria in transactions
	Cybersecurity and data protection
	<b>Business model and strategy</b>
	Commitment to local communities
Growth of people	Climate crisis
	<b>Client experience</b>
	Digitalisation of services
	Diversity, equal opportunities and non-discrimination
	Products and services with ESG criteria
	Work-life balance and well-being
	Training and professional development

Note: ESG issues identified in bold are of major relevance.

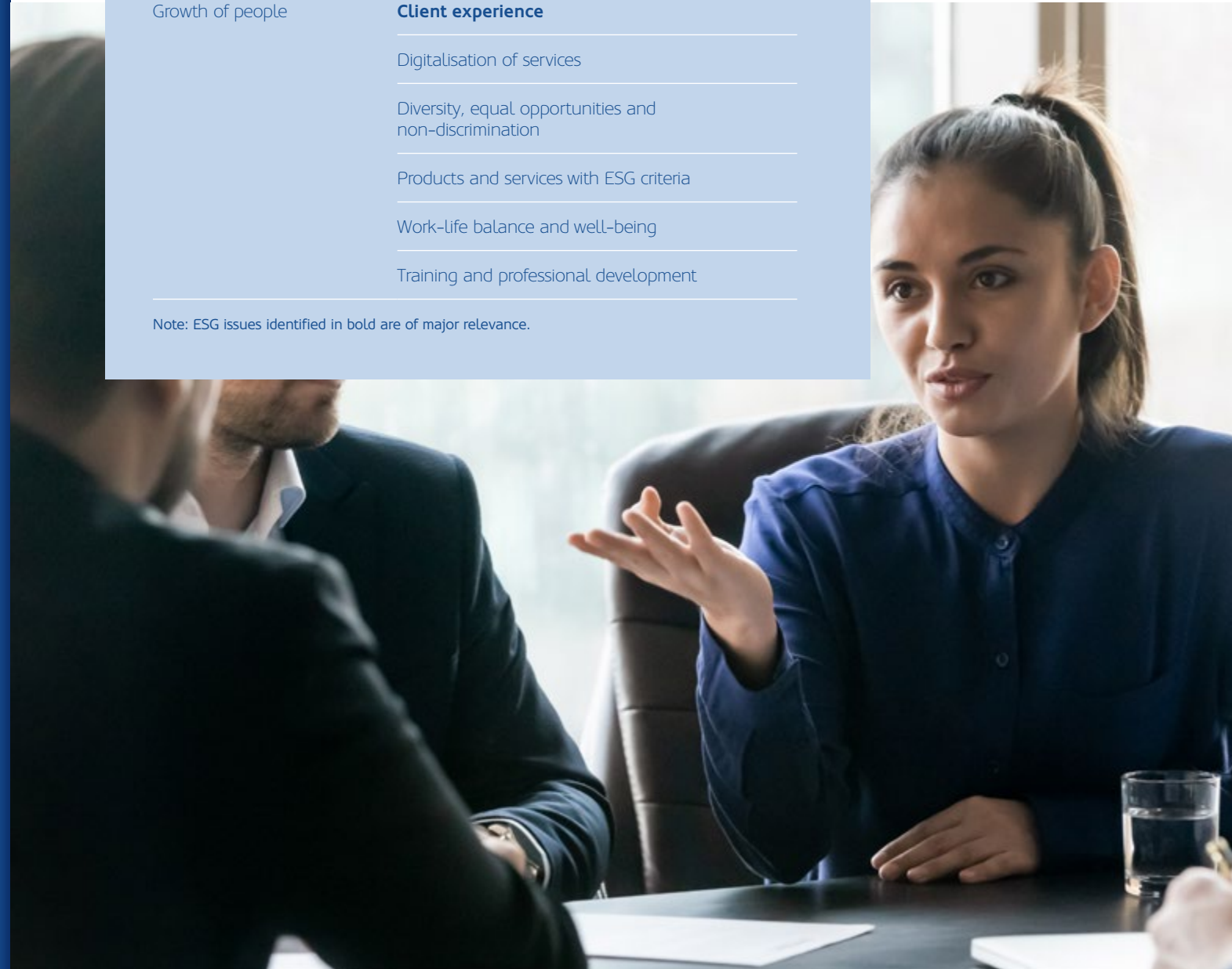
# The MoraBanc 2023 - 2025 ESG Strategy

With the aim to align with the best practices on transparency and in a context of growing European regulation on the disclosure of non-financial information, MoraBanc has developed the **2023-2025 ESG Strategy**. This strategy aims to meet present and future challenges regarding the environmental, social and governance aspects of the institution and allows it to continue growing in line with the expectations of the country and our stakeholders.

The 2023-2025 ESG Strategy is a cross-institution plan promoted from the highest level of the bank with a view to stimulating a sustainable transformation of the economy, society and the environment and establishing a reference banking model.

**At MoraBanc we have the commitment to promote and lead sustainable development with a global and comprehensive approach, and focusing on the regions where we do business. This is why we have developed the ESG Strategy, to support the growth and activities of the Group.**

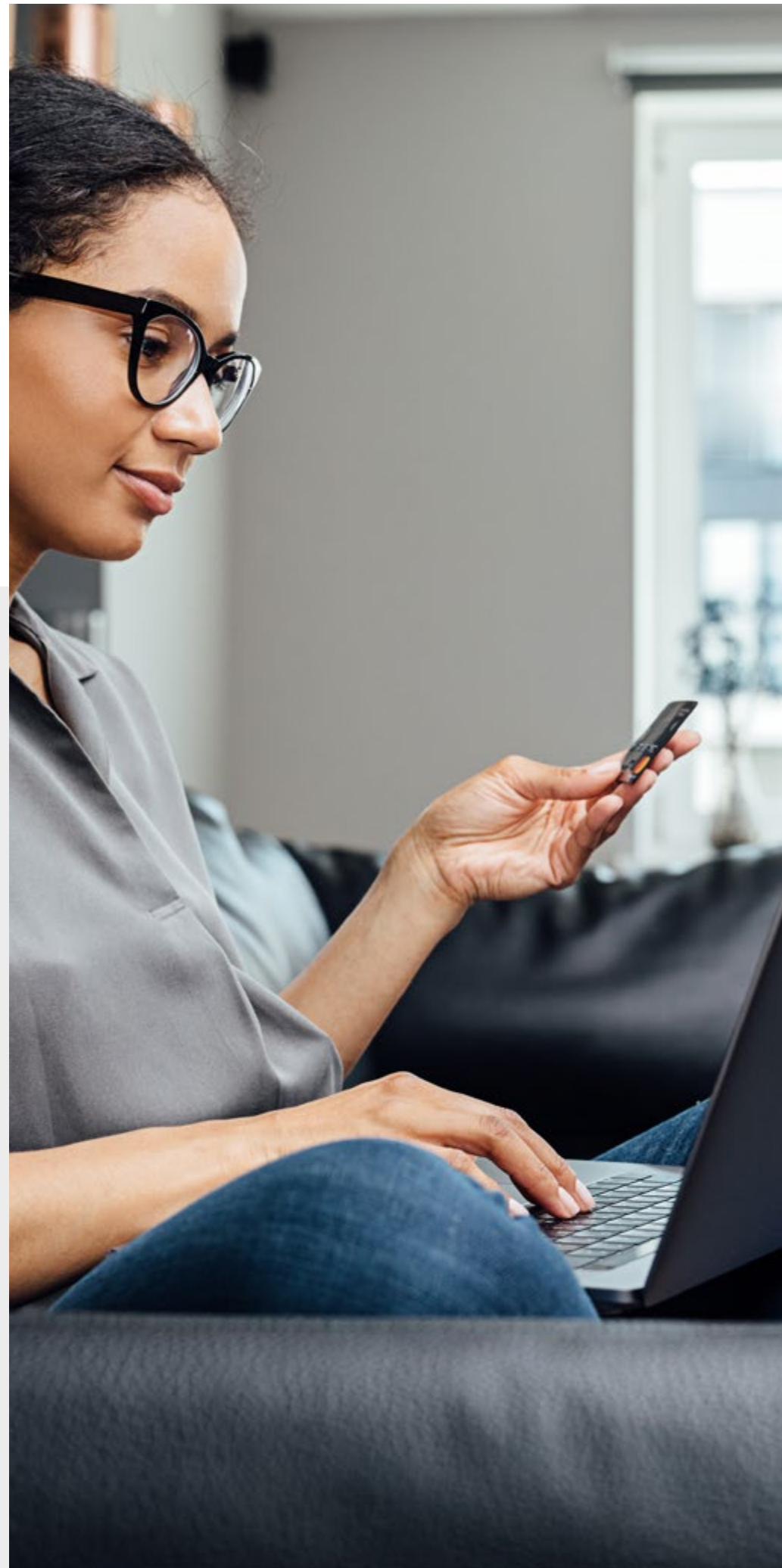
## Pillars of the ESG Strategy





# Action plan

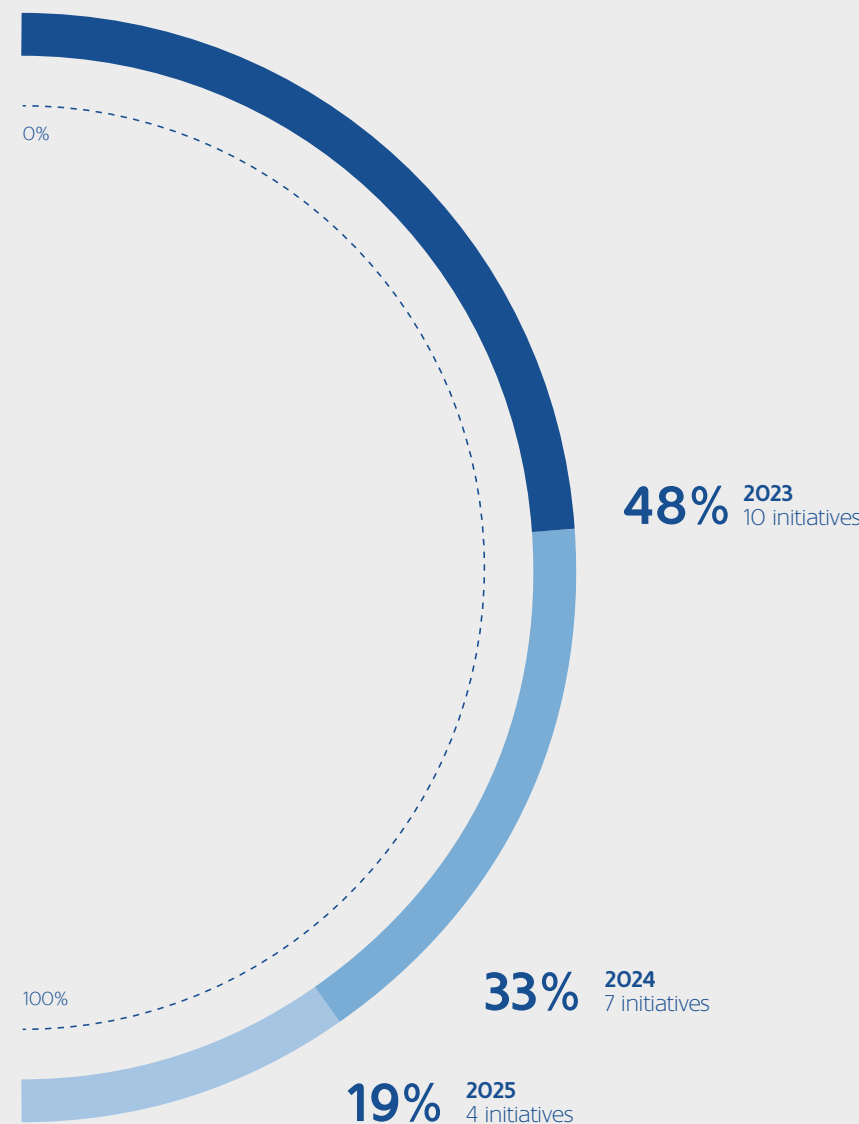
ESG Strategy Lines	SDG	Number of initiatives
RESPONSIBLE GOVERNANCE		9
NATIONAL INSTITUTION		5
GROWTH OF PEOPLE		7



# Our Sustainable Development Goals

At MoraBanc, our frame of reference encompasses the best international standards and sustainability commitments so that our activity contributes to the major economic, social and environmental challenges on a global scale, such as the climate crisis and the demands of new generations. We comply with the current regulations of sustainable finance in each country where we work.

In this regard, at MoraBanc we are fully committed to incorporating the Sustainable Development Goals, defined by the United Nations, as a starting point for the institution to contribute to this global agenda for the year 2030 on the major economic, social challenges and environmental issues we face. Within the framework of the ESG strategy defined by MoraBanc, the seven objectives where the institution can have the most impact have been identified, as well as those that present opportunities for action.





03

# RESPONSIBLE GOVERNANCE

In the area of responsible governance, we work in a banking model that does not forego being a leader in solvency, liquidity and profitability, but also places a high value on the principles of business ethics and responsible investment. Sustainability is integrated into the growth strategy, led by a Board of Directors that adheres to the highest standards of governance.





# Corporate governance and business ethics

**The Board of Directors and its executive commissions comply with the European Union's regulations on transparency and ethics, the guidelines of the Basel Committee and best international practices in the field of good corporate governance of financial institutions.**

We have the mechanisms in place to ensure compliance with the regulations that apply to the markets and sectors where MoraBanc does business. The Regulatory Compliance Department and the Audit and Compliance Committee are responsible for the prevention of the bank's legal, regulatory and criminal risks, and have programmes and policies in place dedicated to compliance and regulatory forecasting. These bodies promote the institution's ethical principles and promote a corporate culture of respect for the law, ensuring compliance.



# Governance structure

The **Board of Directors** of the MoraBanc group has the main function of supervising the Group and all matters relating to the management, administration and representation of the company fall within its competence.

The Board of Directors may delegate its powers to an executive committee or to the Chief Executive Officer. It may also create such committees as it deems appropriate, to better implement its powers and to strengthen management transparency, in order to ensure compliance with the Board of Directors' own functions, for good governance and the best administration, management and control of the company.



## Board of Directors

<b>Juan Maria Nin Génova</b>	Chairman	
<b>Lluís Alsina Álvarez</b>	Chief Executive Officer	Director
<b>Oscar Aristot Borrás</b>	Proprietary	Director
<b>Francesc Xavier Maymó Gatell</b>	Proprietary	Director
<b>Marc Mora Guerín</b>	Proprietary	Director (representative of Mora Fills, SA)
<b>Miquel Alabern Comas</b>	Independent	Director
<b>José Manuel Lara García</b>	Independent	Director (representative of Pedrosó Estelar, SL)
<b>Rita Estevez Luaña</b>	Independent	Director
<b>Miguel Antonio Pérez Carnicero</b>	Independent	Director
<b>Marc Vilallonga Puy</b>	Non-Board Member Secretary	

Board of Directors as of 31/12/2023.



MoraBanc has a **Selection, Appointment, Renewal and Diversity Policy for the Board of Directors** published on the institution's website, which ensures the suitability of the persons appointed as directors. The **executive committees** of the Board of Directors, whose role is set out in the Board Regulations, are:

### EXECUTIVE COMMITTEE

The duties of the Executive Committee include making recommendations and suggestions of all kinds to the Board of Directors to improve the profitability of the business; monitoring and ensuring the proper management of investments in the real economy and *private equity*; reflecting on, analysing, evaluating and drawing up proposals for the Board of Directors regarding matters of a financial nature; and reviewing and approving, as appropriate, relevant investment proposals, unrelated to the budget, delegated by the Board of Directors.

### AUDIT AND COMPLIANCE COMMITTEE

It reviews the Group's financial information and internal control systems; it is the communication channel between the Board and the external auditor and ensures that the latter performs its functions independently; it oversees the work of the internal audit services and compliance with the Group's codes of conduct, anti money laundering and terrorist financing prevention programmes and policies and, in general, the bank's compliance and legal, regulatory and criminal risk prevention programmes.

### APPOINTMENTS AND REMUNERATION COMMITTEE

It adapts MoraBanc's corporate governance to the standards and best practices in this area and proposes the appointments of directors the Board, including its executive members. It also informs the Board of appointments of other senior management members of staff and key personnel of the Group. This committee proposes to the Board the remuneration policy for senior management.

### RISK COMMITTEE

It advises and supports the Board in designing and evaluating the risk strategy and related policies and assists it in the capital and liquidity strategy. It has executive powers enabling it to authorise and approve certain risk transactions.

### TECHNOLOGY, INNOVATION AND INFORMATION SECURITY COMMITTEE

It assists the Board in gaining knowledge of the infrastructures and technology and innovation strategy of the Group, as well as on its main technology and information security and cybersecurity risks.

## Management team

Management team as of 31/12/2023.

<b>Lluís Alsina Álvarez</b>	Chief Executive Officer
<b>Jose Ignacio Amilburu</b>	Chief Financial Officer
<b>Gerard Albà Soler</b>	Investments Director
<b>Àgueda Canet Canet</b>	Risks Director
<b>Jordi Figueredo González</b>	Director of Auditing
<b>Mireia Montoriol Garriga</b>	Director Regulatory Compliance

In accordance with the institution's ESG Commitment, MoraBanc also has important committees such as the Monitoring and Evaluation Committee of the Equality Plan and the Corporate Integrity Management Committee

The executive team is organised into various committees to align the bank's management with its objectives. The main committees of the institution are:

### EXECUTIVE COMMITTEE

The highest governing body, comprising the bank's General Management. It manages the most important aspects of the institution, both business and financial, and aligns all actions with the objectives of the strategic plan.

### REGULATORY COMMITTEE FOR INTERVENTION AND CONTROL

It manages aspects related to auditing, reputation or integrity. It is also responsible for monitoring relationships with other institutions and regulatory bodies, significant matters involving the subsidiaries and monitoring matters regarding the Board of Directors and its competence.

### EFFICIENCY COMMITTEE

It is key towards achieving the strategic plan and coordinating saving and efficiency actions with all the managers of the departments in order to achieve the objectives. It monitors investments to ensure there is innovation and compliance with the business plan. It leads and develops the company's staff.

### MANAGEMENT COMMITTEE

Reporting committee formed by the various departments to monitor the strategic plan. It coordinates the bank's transactions to ensure compliance with the objectives and align the action plans of the whole Group.



# Fight against corruption and bribery

The **Code of Ethics and Conduct** of the MoraBanc Group defines and develops the foundations of ethical conduct that all people in the Group and supplier companies must comply with and that apply to the business and activities of the organisation. There is also a **Stock Market Code of Conduct**.

In compliance with current law, we have an internal control structure to ensure our conduct is ethical and responsible. The Regulatory Compliance and Audit departments ensure there is good corporate governance. We carry out mandatory training on the codes of conduct and the prevention of conflicts of interest as well as on the prevention of money laundering and the financing of terrorism.

The **Corporate Integrity Management Committee** is the body responsible for identifying deficiencies in internal controls and procedures that could endanger the Group's corporate integrity and promoting their resolution. It exercises effective control over compliance with the criteria and action guidelines contained in the Code of Ethics and Conduct, manages the resolution of ethical conflicts and carries out the analysis, control and communication to the supervisory authorities of all information related to operations or events likely to involve market abuse. The Committee comprises the:

- Chief Executive Officer
- Director of Regulatory Compliance (chair)
- Director of Legal Counsel (secretary)
- Chief Financial Officer
- Risks Director
- Director of People Management
- Director of Internal Auditing

**The Regulations of the Board of Directors** of the MoraBanc group aims to deploy the legal and statutory precepts regarding the holding of meetings of the Board and determines the principles of action and the rules of organisation and operation; the regulation sets out the rules of conduct for directors in order to achieve greater transparency, efficiency and momentum in the exercise of their functions. The Regulations of the Board of Directors include the division of responsibilities and roles of the chairman and the chief executive officer.

Respect for people's dignity and their inherent rights is one of the Group's general ethical principles, which is committed to applying the content of the Universal Declaration of Human Rights, the United Nations Global Compact and other agreements and treaties of international organisations ratified by the Principality of Andorra, such as the International Labour Organisation.

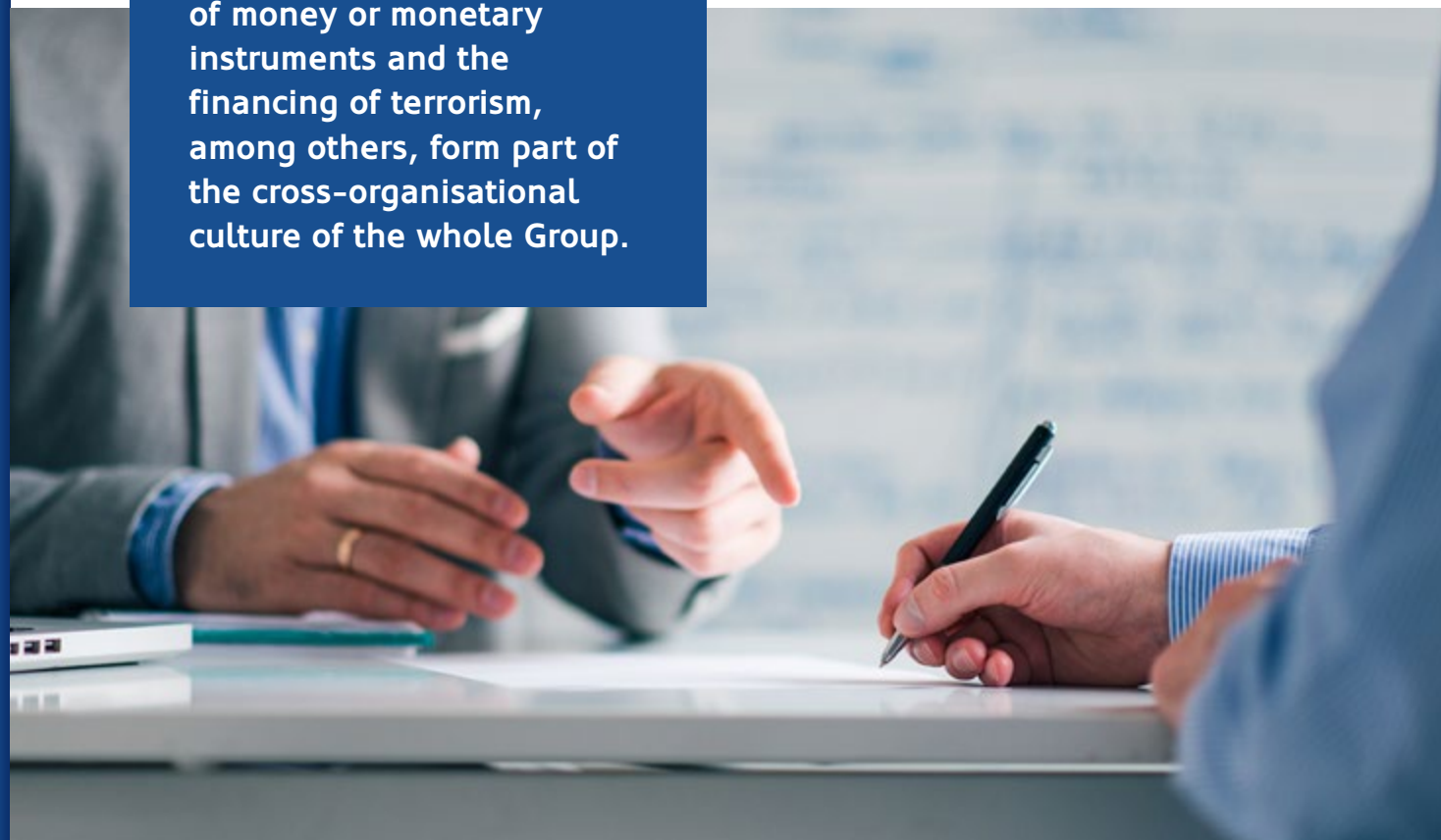
The active fight against corruption, the laundering of money or monetary instruments and the financing of terrorism, among others, form part of the cross-organisational culture of the whole Group.

## 100%

of MoraBanc's employees have been informed of the anti-corruption policies and procedures and have received specific training

## 100%

of the members of MoraBanc's governing body have received anti-corruption training



## Corporate transparency in products and services

MoraBanc is a responsible company that offers the best products available at the service of its clients, acting ethically and transparently. We suggest products and services that add value and provide up-to-date and appropriate information for decision-making, protecting the interests of our clients.

MoraBanc has established procedures and rules of conduct so that it acts impartially and professionally at all times, taking into account the interests of its clients. This is classified into three categories: eligible, professional and retail counterparts. This classification determines the level of protection they enjoy, with retail clients enjoying the greatest level of protection.

We have suitability and appropriateness tests to assess the clients' level of expertise and experience in financial markets, their statement of financial position, and investment goals in order to adapt our investment services and products to each investor profile. To ensure the adequacy or suitability of financial products and services engaged, MoraBanc has classified all products according to the level of complexity, liquidity and risk.

**With the measures adopted by MoraBanc, we ensure that clients know and understand all the risks involved in an investment sufficiently in advance in order to make fully informed decisions.**

## Risk management

Proper risk management is essential for the business of credit institutions and their economic groups, which conduct their activity in an increasingly complex environment with more and more risk factors. Along these lines, this report includes the climate and environmental risk management that the institution performs, responding to the growing regulatory expectations for financial entities to continue with the process of integrating ESG factors into the processes key to risk management.

Although the global economy has shown a degree of impetus in 2023, uncertainty remains high due to geopolitical tensions that have been on the rise in recent months, tensions that may have an impact on an increase in the price of oil, with economic growth down and inflation up once the main central banks had pointed to signs of ending their interest rate hike cycles. In this environment of uncertainty, the MoraBanc group continues to efficiently manage the various aspects related to the economic situation.

The Bank has a risk management policy and management framework approved by the Board of Directors for the identification, measurement, monitoring, control and reporting of risks.

The bank has various internal bodies to ensure risks are identified and specific measures are applied.

The **Risk Department** and the Board's Risk Committee jointly monitor and apply any required corrective measures and strategies for risks that affect the Bank's balance sheet, such as credit risk, market risk, liquidity risk and the capital ratio. In 2023, climate and environmental risks were also incorporated.

The **Regulatory Compliance Department** and the Audit and Compliance Committee of the Board are responsible for the prevention of legal, regulatory and criminal risks to the Bank and for compliance programmes and policies to avoid reputational and business risks.

The **Technology, Innovation and Information Security Committee** of the Board manages technology, information security and cybersecurity risks.

**In 2023, MoraBanc's ESG risks were identified and work was done on drawing up the corresponding risk policy; the approval of the policy by the Board of Directors is scheduled for 2024.**





# Risk control and management

The Mora Banc group develops the *Risk Appetite Framework (RAF)*, which is a fundamental element in risk management and control. This management tool describes, for each risk category, in both qualitative and quantitative terms, the level that the Group wants to achieve in order to achieve the business objectives. Along these lines, the RAF enables the Board of Directors to formalise the Group's risk tolerance statement, formalise the risk supervision and monitoring mechanism, so as to ensure compliance with the RAF, and strengthen the risk culture.

The RAF establishes a comprehensive view of the Group's target, alert, limit and risk capacity levels, comparing them to the risk profile. These thresholds are calibrated according to the *traffic light approach* methodology established by the European Banking Authority. This methodology takes into account:

## Risk capacity.

## Risk objectives/tolerance.

## Early warning level.

## Risk limits.

The process of reviewing and updating the RAF is carried out on an annual basis in order to calibrate its thresholds in accordance with the institution's risk tolerance. It monitors the risk indicators monthly in order to detect potential deviations in the different risk thresholds set by MoraBanc. The RAF management framework establishes protocols for the breach of thresholds, distinguishing between two lines of action that depend on the threshold that has been exceeded (alert or limit).

The main risks to which the bank is exposed in the conducting of its usual operations are:

- Credit and counterparty risk.
- Market risk.
- Operational risk.
- Liquidity risk.
- Interest rate risk.
- Solvency risk.
- Reputational risk.
- Concentration risk.
- Leverage risk.
- Risk of money laundering and financing of terrorism.
- Strategic and business risk.
- Business continuity risk.
- Systemic risk.
- Actuarial risk.
- Securitisation risk.
- Technological risk.
- Climate and environmental risk.
- Residual risk.

**In 2023, climate and environmental risk was incorporated into risk management. This risk consists of the possibility of incurring losses due to climate changes or events that could generate an impact on traditional financial risks.**

# Management of climate and environmental risk

MoraBanc has integrated the management of climate and environmental risk into its strategy through the ESG strategy and its master plan. Based on the lines laid out by the ESG Strategic Plan, the Board of Directors of MoraBanc have approved an ESG Policy and have created a specific department to lead the integration of sustainability throughout the institution's value chain and in all business areas. A materiality analysis of climate and environmental risks was also performed at the institution in order to apply current best practices.

The climate and environmental risk factors that have been taken into account include the physical effects of climate change generated by specific or chronic events, and those derived from the transition towards a reduction in emissions that involve legislative, technological or behavioural changes in economic agents.

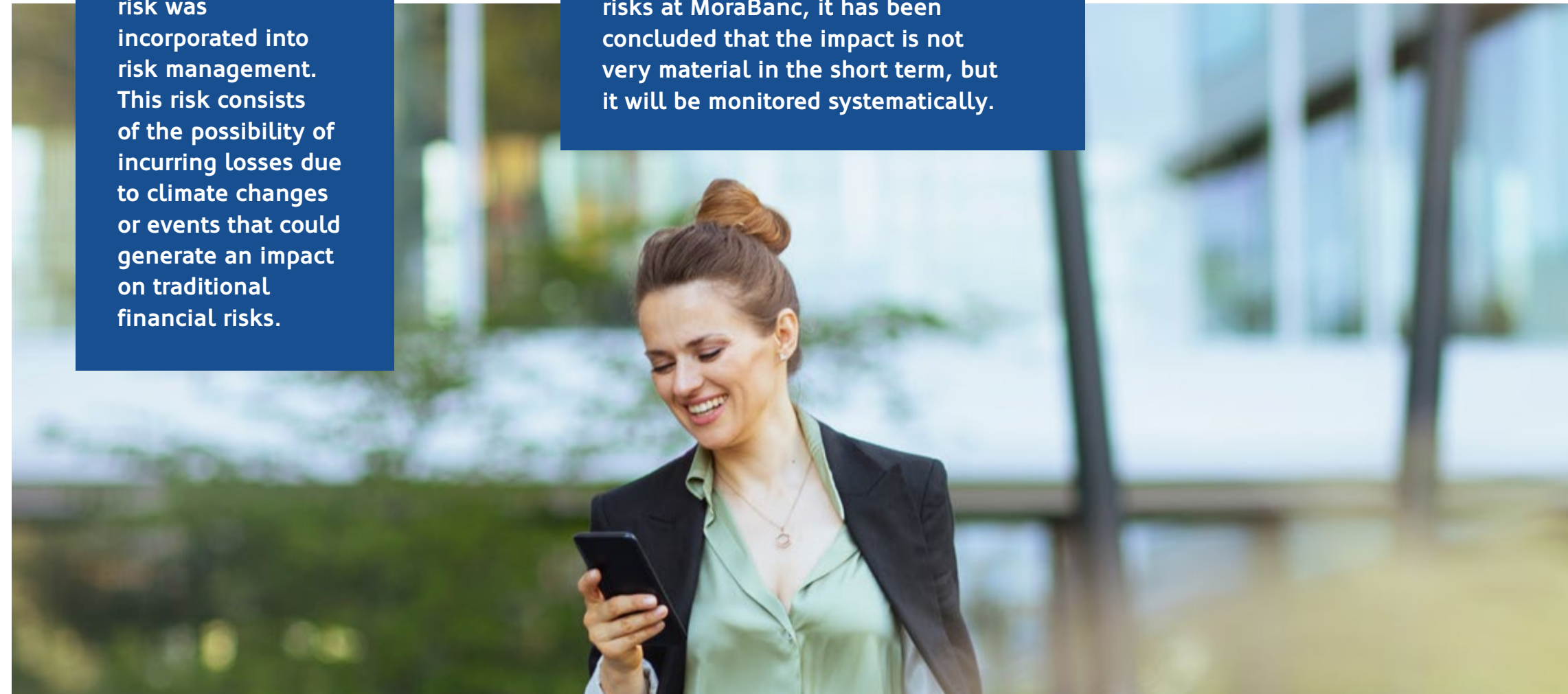
The identification of climate and environmental risk has detected points for improvement, on which MoraBanc is already at work:

**Obtaining energy certificates** of all the assets which are subject to a mortgage guarantee. MoraBanc has already rolled out improvements in the risk concession process in order to have and register these certificates in the documentary repository.

Recurring performance, at least once a year, of the institution's **materiality analysis of climate and environmental risks**.

Progressive inclusion of **sustainability criteria in credit assessment processes**.

**As a result of the analysis conducted of the set of impacts of climate risks at MoraBanc, it has been concluded that the impact is not very material in the short term, but it will be monitored systematically.**





# Secure and protected information

## Cybersecurity management

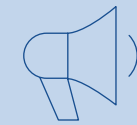
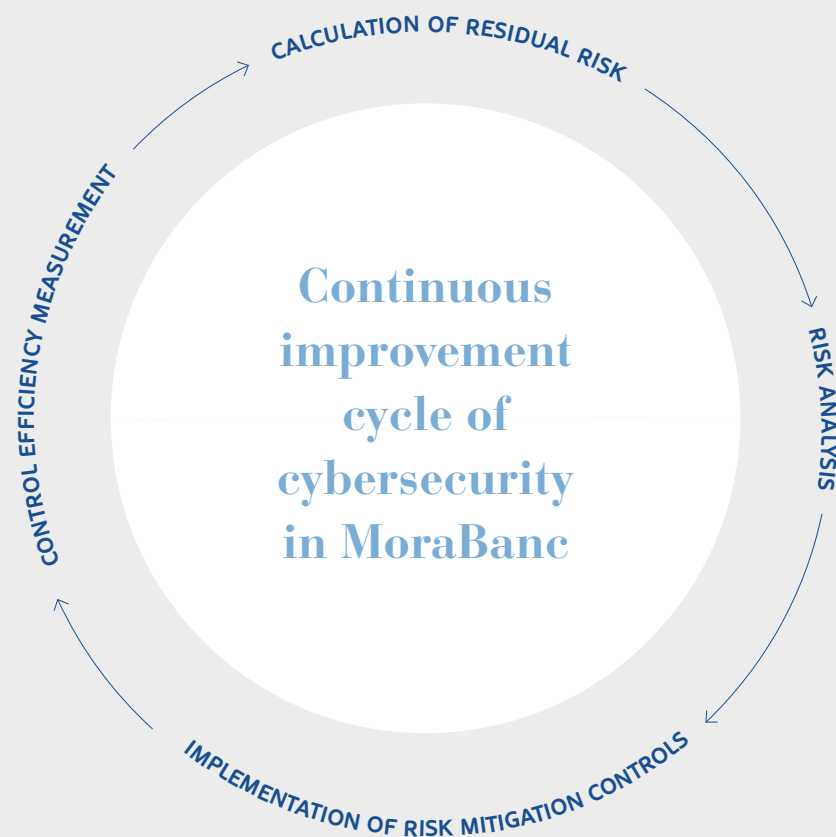
MoraBanc's cybersecurity management system, aligned with Law 22/2022 of 9 June, on measures for the security of networks and information systems of the Government of Andorra, provides the institution with great solidity and strength. The scope of the system covers Andorra (MoraBanc), Madrid, Barcelona (MoraWealth) and Boreal, which is in the process of being integrated.

There are 150 control measures that encompasses all areas, divided into daily, weekly, monthly, half-yearly and annual controls. The security measures are structured as follows:

**Information Security Policy**, which includes the basic principles that must guide the development of MoraBanc's information security regulatory body.

**Corporate standards**, which define the specific controls to be implemented for each security area.

**Procedures** which establish the steps to be taken to implement the controls defined by the corporate standards.



**WE ADD VALUE TO OUR CLIENTS**

**3** newsletters sent with tips on how to avoid phishing

**19** information messages on security and phishing in the media and social networks

**8** internal communications to avoid phishing

**100%** of the workforce trained in cybersecurity

Permanent information screen on security and phishing posted prior to connecting to the digital bank

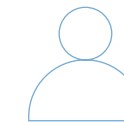
The **Technology, Innovation and Information Security Committee** manages technology, information security and cybersecurity risks. The **Information Security Committee** aims to ensure that the various aspects of cybersecurity are aligned with the needs and objectives of the institution. The Committee meets quarterly and is made up of the directors of the following departments:

- Technology
- Internal Auditing
- Legal Counsel
- Regulatory Compliance
- Risks
- Transactions
- Information Security

The Committee has the following tools:



**Security Operations Centre (SOC)** for permanent real-time analysis.



**Operations team** to analyse the information provided by the SOC.



**Security Technical Office**, which assists in and oversees everything related to information security governance.

MoraBanc has a **Cybersecurity Training Plan**, implemented in 2023, with the aim that the workforce have an in-depth knowledge of what cybersecurity is, what type of information they can handle within the organisation and how to classify it, what the most common hacking methods used by cybercriminals are today, and what the best practices are that they can use to mitigate the security risks they are exposed to. It includes specific training for senior management.

By 2024, it is planned to carry out an action plan to inform and sensitise customers on cybersecurity issues.



# Data protection

MoraBanc has a **Client Data Protection Policy** and a **Privacy policy**. In 2022, the Qualified Law 29/2021 of 28 October on the protection of personal data (LQPD) entered into force, which is harmonised with the European regulatory framework. MoraBanc has worked on adapting to the new regulations. In a first phase, there was compliance with aspects relating to the clients (consent to commercial processing, for example), supplier companies and the web environment. Currently, work is being done on the drafting of internal policies and the establishment of control mechanisms.

In countries where MoraBanc also does business, compliance with current data protection laws is guaranteed.

# Economic management and financial results



WE ADD VALUE TO OUR SHAREHOLDERS

**345**  
Shareholders

**14.17%**  
profitability (ROE), above the European average\* (9.31%)

\*Data 4Q2023 relative to "significant institutions" [www.bankingsupervision.europa.eu](http://www.bankingsupervision.europa.eu)



## Balance Sheet and Consolidated Net Equity

### DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

<i>In thousands of euros</i>	31/12/2023	31/12/2022
<b>ASSETS</b>		
Cash, cash balances in central banks and other at-sight deposits	181,454	252,332
Financial assets held for trading	48,259	87,914
Non-trading financial assets necessarily measured at fair value through profit or loss	243,047	257,842
Financial assets at fair value through other comprehensive income	332,379	776,691
Financial assets at amortised cost	2,882,956	2,845,021
Derivatives - hedge accounting	22,238	28,442
Changes in the fair value of the hedged items in a portfolio with interest rate risk hedging	0	0
Investments in subsidiaries, joint ventures and associates	4,998	5,224
Assets covered by insurance and reinsurance contracts	26,088	27,358
Tangible assets	98,484	102,360
Intangible assets	24,936	28,843
Tax assets	9,683	10,113
Other assets	4,207	2,675
Non-current assets and disposable groups of elements classified as held for sale	2,171	3,185
<b>TOTAL ASSETS</b>	<b>3,880,900</b>	<b>4,428,000</b>
<b>LIABILITIES</b>		
Cash, cash balances in central banks and other at-sight deposits	24,563	34,003
Financial assets held for trading	10,090	8,337
Non-trading financial assets necessarily measured at fair value through profit or loss	3,072,779	3,660,094
Financial assets at fair value through other comprehensive income	386	346
Financial assets at amortised cost	18,101	3,629
Accounting for hedges with derivative instruments (pend. confirmation of rephrasing with Financial Department)	18,336	19,910
Changes in the fair value of the hedged items in a portfolio with interest rate risk hedging	9,649	8,279
Investments in subsidiaries, joint ventures and associates	292,096	299,108
Assets covered by insurance and reinsurance contracts	32,911	25,210
<b>TOTAL LIABILITIES</b>	<b>3,478,911</b>	<b>4,058,916</b>
<b>NET EQUITY</b>		
Capital	44,022	44,022
Issuance premium	18,462	18,462
Accumulated profit	342,597	323,352
Revaluation reserves	0	0
Other reserves	-32,275	-33,688
Profit or loss attributable to the owners of the controlling company	51,423	40,033
Other comprehensive accumulated income	-22,236	-23,093
Minority interests (non-controlling holdings)	-4	-4
<b>NET TOTAL EQUITY</b>	<b>401,989</b>	<b>369,084</b>
<b>NET TOTAL EQUITY AND LIABILITIES</b>	<b>3,880,900</b>	<b>4,428,000</b>

## Consolidated income statements

<i>In thousands of euros</i>	31/12/2023	31/12/2022
<b>PROFIT AND LOSS</b>		
Financial margin	84,847	44,839
Profit/Loss from fees	63,294	70,881
Results from institutions valued by holding type	229	575
Income from financial operations	9,040	7,910
Net operating income	6,150	6,851
<b>Net operating profit</b>	<b>163,560</b>	<b>131,056</b>
Administrative expenses	-91,762	-82,056
Depreciation	-7,465	-7,435
Allocation to provisions, net impairment, of non-financial assets and other profit for non-financial assets and non-current assets	-7,880	1,902
<b>Pre-tax profit</b>	<b>56,453</b>	<b>43,467</b>
Tax on profits	-5,030	-3,444
<b>EARNINGS FOR THE FINANCIAL YEAR</b>	<b>51,423</b>	<b>40,023</b>
<b>Attributable to the owners of the controlling company</b>	<b>51,423</b>	<b>40,118</b>
<b>Attributable to the minority interests</b>	<b>-</b>	<b>-</b>

## Added value statement

<i>In thousands of euros</i>	31/12/2023	31/12/2022
<b>Direct economic value generated</b>	<b>163,560</b>	<b>131,056</b>
Financial margin	85,279	45,346
Net fees for services	63,294	70,881
Income from financial operations	9,040	7,910
Other income	5,947	6,919
Grant	0	0
<b>Economic value distributed</b>	<b>96,792</b>	<b>85,490</b>
Operational costs	34,565	26,956
Salary expenses	45,487	43,761
Payments to capital suppliers	7,882	6,109
Payments to the government	7,419	7,180
Community investment	1,439	1,484
<b>Economic value retained</b>	<b>66,768</b>	<b>45,566</b>
Amortisations	11,071	6,990
Reserves	55,697	38,576
<b>ECONOMIC VALUE DISTRIBUTED AND RETAINED</b>	<b>163,560</b>	<b>131,056</b>



# 04

# NATIONAL INSTITUTION

The strategy of MoraBanc, an institution with a significant presence in the local community where it does business, includes the contribution and revitalisation of activity in the country and key leadership in the energy transition. We promote a responsible transformation and work to broaden the calculation of our carbon footprint to our products and services in order to support the business fabric towards the transition of its activities.

### WE ADD VALUE TO THE COUNTRY\*

<b>6.6%</b> direct and indirect contribution to the GDP	<b>161.5</b> million euros in direct and indirect contribution to the VAB
--	--

\* Estimate for the year 2022 according to the report *Contribution of the financial sector to the Andorran economy*, Andorran Banking, 2024

**11** SUSTAINABLE CITIES AND COMMUNITIES

**13** CLIMATE ACTION

**17** PARTNERSHIPS FOR THE GOALS



# The commitment to the country

## Support for culture, sport and education

At MoraBanc we want to contribute to the progress of the community where we operate, which is why in 2023 we collaborated in 54 projects that were conducted in the country. We lend our economic and logistics support to several initiatives of a social nature which helps us to establish and maintain a bond with the country and its people. We adopt socially responsible practices which generate value for the community and the company. We focus on five areas, aligned with our values: **culture, sport, solidarity, education and economic development**. The most significant projects of 2023 are presented below.

### MoraBanc and culture

We are fully aware of the importance of culture in the development of our country. This is why our efforts take a two-pronged approach: the dissemination of culture in society and the promotion of cultural acts and events around the territory.

#### Music and Dance Season

For 30 years MoraBanc has sponsored the **Music and Dance Season in Andorra la Vella**, one of the country's leading social and cultural events.

#### Cirque du Soleil

We have been the main sponsor in Andorra of the *Cirque du Soleil* shows since the company's première. This event has become a summer milestone in Andorra and has been able to attract more visitors during July, contributing to Andorra's position as a leading country in tourism.

#### Saison Culturelle

We collaborate as sponsors in the cultural programme held by the French embassy in Andorra.

#### Clàssicand

Our commitment to culture has been extended with the sponsorship of *Clàssicand*, to bring culture closer to the citizens and also draw those from abroad.

#### Nit Literària Andorrana

In conjunction with the *Cercle dels Arts i de les Lletres* of the Principality of Andorra, MoraBanc participates annually in the Nit Literària Andorrana honouring literature with the sponsorship of the Sant Carles Borromeu award for stories and narratives.

#### Lecture by Jane Goodall

The famous ethologist gave a conference entitled "Reasons for Hope" with the aim of sharing her life story.

### MoraBanc and sport

We take pride in the fact that the country's basketball team has borne our name since 2014. We also support several competitions and promote sports activities organised by our staff.

#### MoraBanc Andorra

We have been supporting basketball for forty years. The team we sponsor, MoraBanc Andorra, is part of the ACB League.

#### FC Andorra

Major sponsors of the football team, currently in the Hypermotion League (second Spanish division), with the ambition to reach the top European league.

#### Grandvalira

Our sponsorship can be found in the Pas de la Casa, Grau Roig and Ordino Arcalís ski resorts.

#### Borrufa Trophy

One of the most important international alpine skiing competitions in the junior category, taking place every year in Ordino Arcalís.

#### Andorran Mountaineering Federation

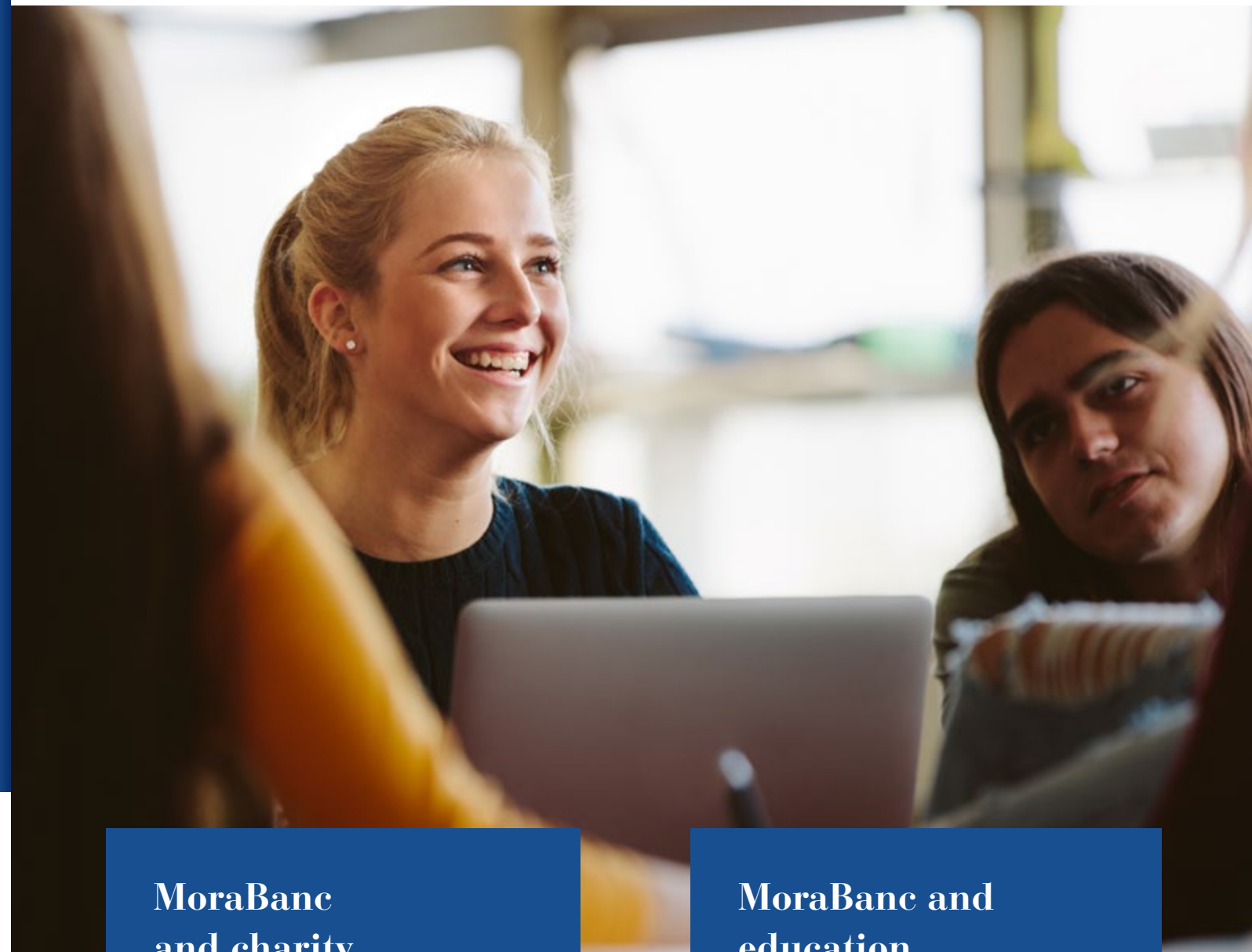
As part of our commitment to sport, snow and the country, we sponsor the Andorran Mountaineering Federation. We are the main sponsors of Andorra's national racing and mountain skiing teams. In addition, we give our name to the MoraBanc Cup of Andorra in Mountain Skiing.

#### Pas de la Casa Grau Roig Ski Club Karaban

In 2023 we joined the Karaban - Pedal for Kibera charity expedition as a sponsor, supporting the bicycle caravan that is travelling 10,000 kilometres between Andorra and Kenya in the name of charity.







**MoraBanc and charity**

In addition to having the solidarity card as part of our product portfolio, at MoraBanc we are involved in several charitable events.

**MoraBanc and education**

Education and training as keys to progress.

**No child without a toy**  
We participate in the toy collection drive organised by Radio and Television of Andorra. Càritas Andorrana is the entity in charge of delivering these toys to the children.

**Mathematics Olympiad**  
We sponsor one of the most important educational events in the country, the Mathematical Olympiad of Andorra, included in the Mathematical Olympiad of Spain. Held since 1989 by the Spanish embassy in the Principality, its main objective is to encourage an interest in mathematics among young people.

## Economic development

We support the economic development of the country through involvement in business and sector organisations, among others.

### Third Digital Maturity Study of Andorran Companies

In 2023, MoraBanc, the Chamber of Commerce, Industry and Services of Andorra and Iniced, a consultancy that specialises in the digital transformation, have conducted the Third Digital Maturity Study of Andorran Companies, whose aim is to provide key ideas and reference data to promote the digital transformation of the country's business fabric.

### Programme and Forum of the Andorran Family Business

MoraBanc sponsors two of the country's most important family business annual events: the EFA Programme and the Forum. In 2023, the programme focused on the risks for the family business and its shareholders, and the Forum on impact investments, as an option for family businesses.

### Formation of the Chamber of Commerce, Industry and Services of Andorra

MoraBanc sponsors continuing education for businesses and professionals in the Principality organised by the Chamber of Commerce, Industry and Services to facilitate and thus foster business competitiveness. The aim is to accompany Andorran companies in their training process, and that companies in the country can invest in the training of their staff and increase their intellectual and personal enrichment to face business and market challenges.

### WE ADD VALUE TO THE COUNTRY

**54**  
Projects in 2023

**64**  
Beneficiary entities in 2023

**429,418**  
Beneficiaries in 2023

**€1,420,212**  
Invested in social projects in 2023

### NUMBER OF PROJECTS BY TYPE



## Solidarity Card

The Solidarity Card is the MoraBanc project that channels most of its social contribution to support the most vulnerable people and groups. In 2023, the institution's solidarity cards have raised a total of €74,531, between the contributions of clients and those of the bank itself.

Since the beginning of the project, €1,378,114 have been collected, which are allocated, in accordance with the wishes of the clientèle, to the entities participating in the programme. In 2023, there were 22 participating entities: Children of the World, La Gavenera, UNICEF, Càritas Andorrana, AINA, Our Lady of Meritxell Private Foundation, IBO-Africa, Mans Unides, the Clara Rabassa Foundation, Cooperand, Bomosa, Carisma, Hi Arribarem, Tutelar Private Foundation, Marc GG Association, the Andorran Women's Association, the Andorran Red Cross, AUTEA, the Dames de Meritxell Trust, Andorra Telethon, FADEA and Cooperation for Local Development.

The donations of the solidarity card come from the contributions of the clients who participate in the project through donations and rounding off their purchases. For each purchase made with the card, the missing cents are added until the amount is rounded up to the nearest tenth or euro. MoraBanc participates with the same amount of customer contributions and rounding off purchases.

WE ADD VALUE TO THIRD SECTOR ENTITIES

€ 74,531

Raised with the solidarity card in 2023

22

Beneficiary entities in 2023 (+5% compared to 2022)

## The fight against the climate crisis

At MoraBanc we have an environmental management system to monitor the impact of our activities on the environment and comply with current legislation. We are involved in the fight against the climate emergency by calculating our carbon footprint and establishing measures to mitigate it.

## Calculation of our carbon footprint

MoraBanc carries out the calculation of the carbon footprint of the organisation according to *Carbon Balance*, which involves a study to improve emissions and the exploration of possible reduction targets. Additionally, we are addressing a methodology for estimating our scope 3.15 emissions. Our strategy sets out the emissions reduction plan and a *Net Zero* goal.

We understand that MoraBanc is an agent of change towards the energy transition, and in this regard, we work to contribute to the mitigation of climate change with the design of the products and services we offer:

- **The Super Mortgage**, which discounts the interest rate if energy efficiency criteria are met.
- **The Eco-Car Loan**, with preferential conditions to acquire electric vehicles.
- **The Eco-Efficiency Loan**, to finance with preferential conditions up to 100% of sustainable projects aimed at renovations or energy-saving equipment, such as the installation of solar panels.

We have established an internal policy that regulates the acquisition processes of goods and services and, whenever possible, we prioritise the consumption of local products and services, the use of recycled and sustainable materials, thus reducing CO<sub>2</sub> emissions.

To contribute to lower emissions, we have implemented regulated teleworking, which allows for a 25% reduction in staff travel (in cases where the nature of the work so permits). We also promote online meetings.

We have a charging point for electric vehicles, installed in the car park of the building where the head office is located. It is used to recharge the Mora Car, a 100% electric vehicle available to employees for work-related trips.

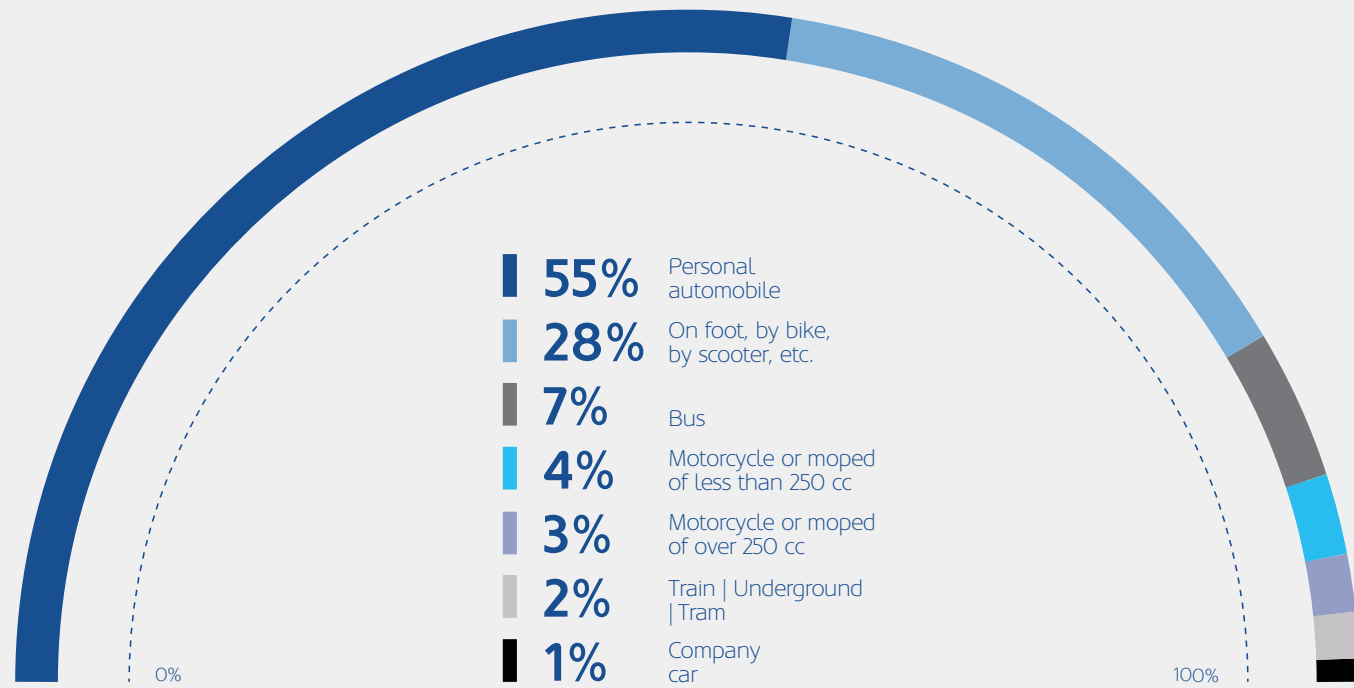
### GHG EMISSIONS (tCO<sub>2</sub> eq)

Scope 1 direct emissions	183
Scope 2 indirect emissions	352
Scope 3 other indirect emissions	995
<b>TOTAL MoraBanc group</b>	<b>1,530</b>





INTERNAL MOBILITY TYPE ACCORDING TO MEANS OF TRANSPORT



MoraBanc's Sustainable Mobility Plan takes into account staff commuting between home and work, and professional travel.



# Energy efficiency

MoraBanc's flagship commercial office, located on Avinguda Meritxell, was renovated in 2023 in order to expand its capacity to serve the public and improve the comfort of the forty people on staff. The branches located in Escaldes-Engordany have also been renovated, which has expanded the capacity and quality of the client service area, as have the Sant Julià de Lòria and La Massana branches. The renovations of the branches in Andorra la Vella on Príncipe Benlloch avenue and in Pas de la Casa, were also under way in 2023. Both opened to the public in the first half of 2024. The renovation were conducted by applying sustainable criteria such as the use of more efficient air conditioning systems through air recuperators, low-

consumption LED lighting and minimising the use of diesel as an energy source.

These renovations reflect the commitment to offering the best service to clients, the best space to the staff to work in and to improve energy efficiency. In 2024, the renovation of the bank's main offices is set to continue, where it is planned to improve the insulation, reduce the use of diesel for air conditioning and install air source heat pumps, etc.

Currently, MoraBanc is working on the creation of a system that allows an agile data collection of energy consumption.

**-7%**  
Energy consumed in Andorra in 2023 (compared to 2022)







# Buy green

We promote the repair of damaged products as an economically viable option instead of discarding them, and we implement a recycling system in the repair process to reuse parts and materials whenever possible and an organic and paper recycling system, through use of container bins.

**WE ADD VALUE TO THE ECONOMY**

# 346

**indirect jobs generated and induced by the ripple effect**

Source: *Contribution of the financial sector to the Andorran economy. Andorran Banking, 2024*

## CRITERIA FOR THE CLASSIFICATION OF SUSTAINABLE SUPPLIER COMPANIES



**Sustainable management certificate** (ISO, Aenor, B Corp, Sustainalytics, SGE, IQNet, AA 1000, etc.).



**Use of local products.**



**Fair trade or social inclusion products or services.**



**Strategic plan to reduce the CO2 footprint.**



**Impetus to activities that generate a positive impact on the local environment.**



**Client experience knowledge and management system.**



**Use of sustainable materials for the manufacture and packaging of products.**

# Waste management

All consumables generated by MoraBanc are subsequently recycled:

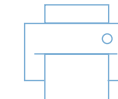


**Paper and cardboard.**



**Plastic.**

Credit and debit cards are recycled.



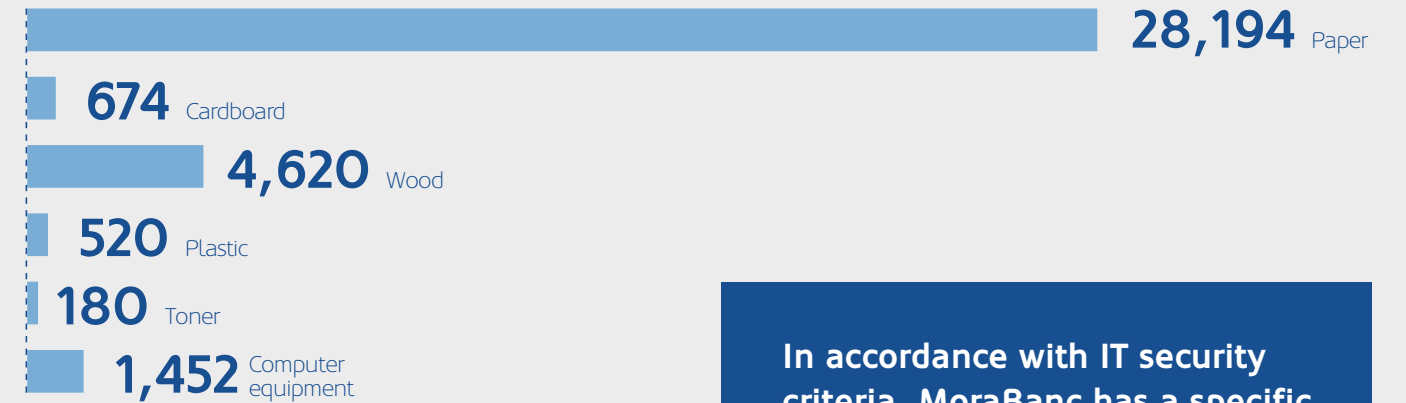
**Toner.**

The printers we use are monitored to ensure that the maintenance of the consumables is kept strictly to what is necessary. Used toners are recycled by an external company, so that all units consumed are collected and recycled, avoiding the generation of waste.

The generation of wood waste is a consequence of the renewal of furniture as a result of the branch office renovation projects.

Regarding the purchase of computer equipment, the aim is for the equipment to have a service life of at least five years. Zero Noise computers, peripherals and user devices are purchased with energy efficiency certifications such as ENERGY STAR® or TCO, power consumption below 5 W in idle mode and expansion options to extend their durability. The monitors have TCO certification, low energy consumption and availability of spare parts for five to seven years.

## WASTE GENERATED (KG)



**In accordance with IT security criteria, MoraBanc has a specific procedure for the management and destruction of IT equipment that can no longer be repaired.**





05

# GROWTH OF OUR PEOPLE

MoraBanc works towards the growth, digitisation and excellence in the client experience and in the transition of the product and service offering towards the new expectations of society. The management of the people who work at MoraBanc is based on the criteria of drawing and retaining talent, equality and diversity, training and people's well-being.

**3** GOOD HEALTH AND WELL-BEING

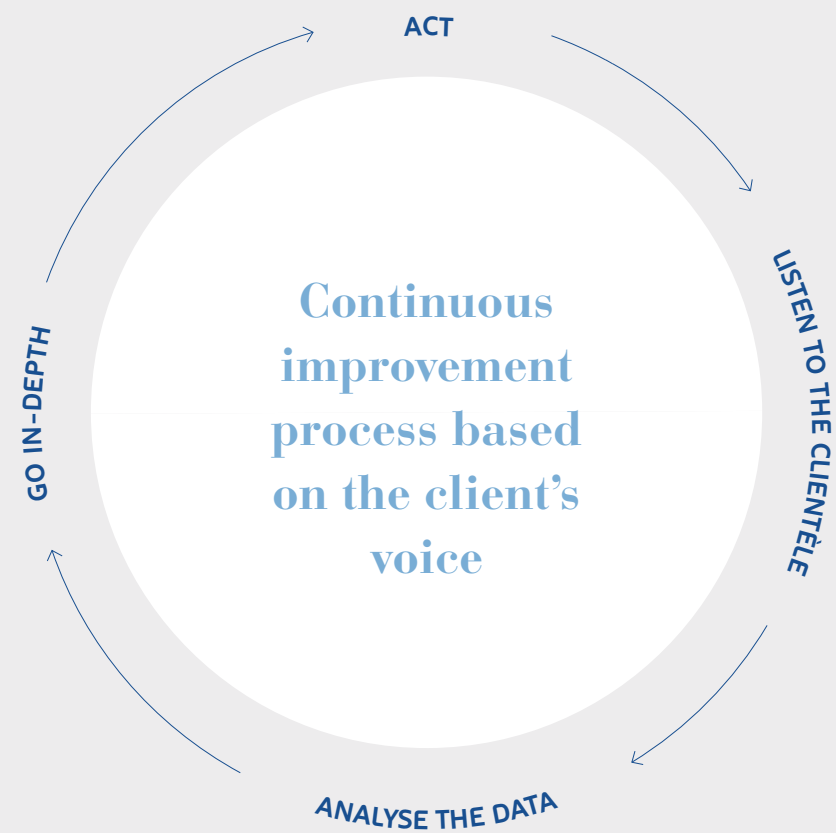
**4** QUALITY EDUCATION

**5** GENDER EQUALITY



# The client experience

Our goal is the satisfaction of our clients, which is why we strive every day for them to consider us their main bank. Through programmes and initiatives such as "The Client's Voice", we can adapt to their needs by improving our products and services, creating and strengthening our client relationship based on two-way communication.

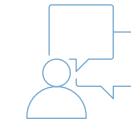


## Client satisfaction

MoraBanc has implemented an action plan to improve customer satisfaction that includes the incorporation of specialized personnel to reinforce the teams and the application of new processes, among other measures.

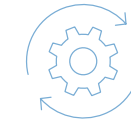
All client claims are handled either formally or through amicable settlement.

Thanks to the active listening of our clients, MoraBanc can detect opportunities for improvement with respect to complaints and claims and thus raise their level of satisfaction. The institution has drawn up a plan of specific improvement opportunities that are structured around the following axes:



### Orchestration

Inclusion of the Customer Experience team in the entire complaints and claims process.



### Automation

Form automation, autoresponders, etc.



### Acceleration of processes

Various measures to facilitate and speed up the processes.



### Omnichannel

Client traceability of complaints and claims, through the digital channel



### Compliance with the new regulation

Compliance control mechanisms with the deadlines for resolving complaints and claims.

**100%**  
of the claims and complaints received have been managed and dealt with

We have reduced the response time for complaints and claims by

**60%**  
during 2023

MoraBanc conducts several studies to familiarise itself with its clientèle and thus anticipate their needs and concerns. These are examples of the studies conducted in 2023:

Mystery Shopping in Retail, Companies and Private Banking.

Qualitative study of MoraBanc Private Banking clients.

Qualitative study of companies.

Quantitative study of the Andorran retail market.



# Communication

One of our priorities is the closeness to clients, their satisfaction, and building a stable relationship as the basis for a sustainable business. We work towards the financial literacy of society as well as our clients in particular through the following channels:

### Personal service

at the MoraBanc branch network.

### Telephone contact

via the Telebanc service, email messages and letters.

### Web page [www.morabanc.ad](http://www.morabanc.ad)

which, as a result of the active listening process of our target audiences, will be overhauled in 2024 to increase its usability, security and transparency and improve the user experience through more intuitive browsing.

### Email newsletters

for clients, to inform them of new articles in the blog, new products, the activities we organise, useful information, etc.

### MoraBanc Online

and the app for mobile devices.

### Social media

## WE CONTRIBUTE VALUE TO OUR CLIENTÈLE

**21,882**

followers on the social networks in 2023 (+21% compared to 2022)

## WE ADD VALUE THROUGH THE MEDIA

**92%**

of positive news to the media in 2023

**80%**

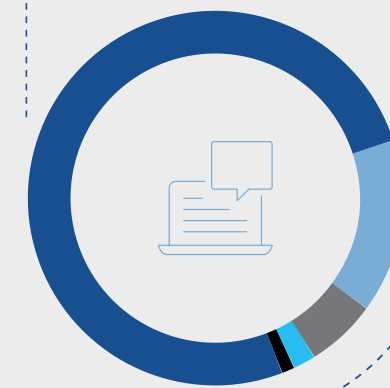
of market share in the press presence in 2023

# Digitised services

The main objective of MoraBanc is that our clients can have a 100% digital relationship with the bank, providing a service 24 hours a day, every day of the year, and thus facilitate their bank transactions. During 2023 we have continued digitising services and products to be more agile and efficient as an institution, but above all so we can provide autonomy to our clientèle in the most common transactions and queries.

## TYPE OF TRANSACTIONS PERFORMED VIA ONLINE BANKING IN 2023

**76%**  
Transfers of money (external transfers or transfers between accounts)



**15%**  
Transfers of money through Bizum (transactions)

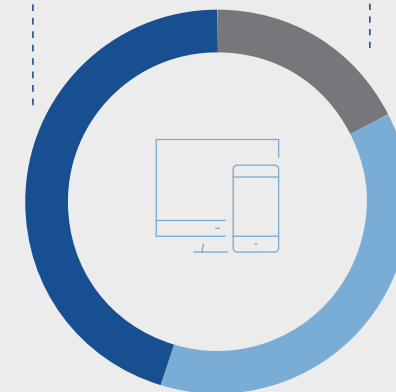
**6%**  
Specific business banking operations

**2%**  
Splitting or delaying credit card purchases

**1%**  
Securities trading transactions

## CONNECTION BY PLATFORM TYPE

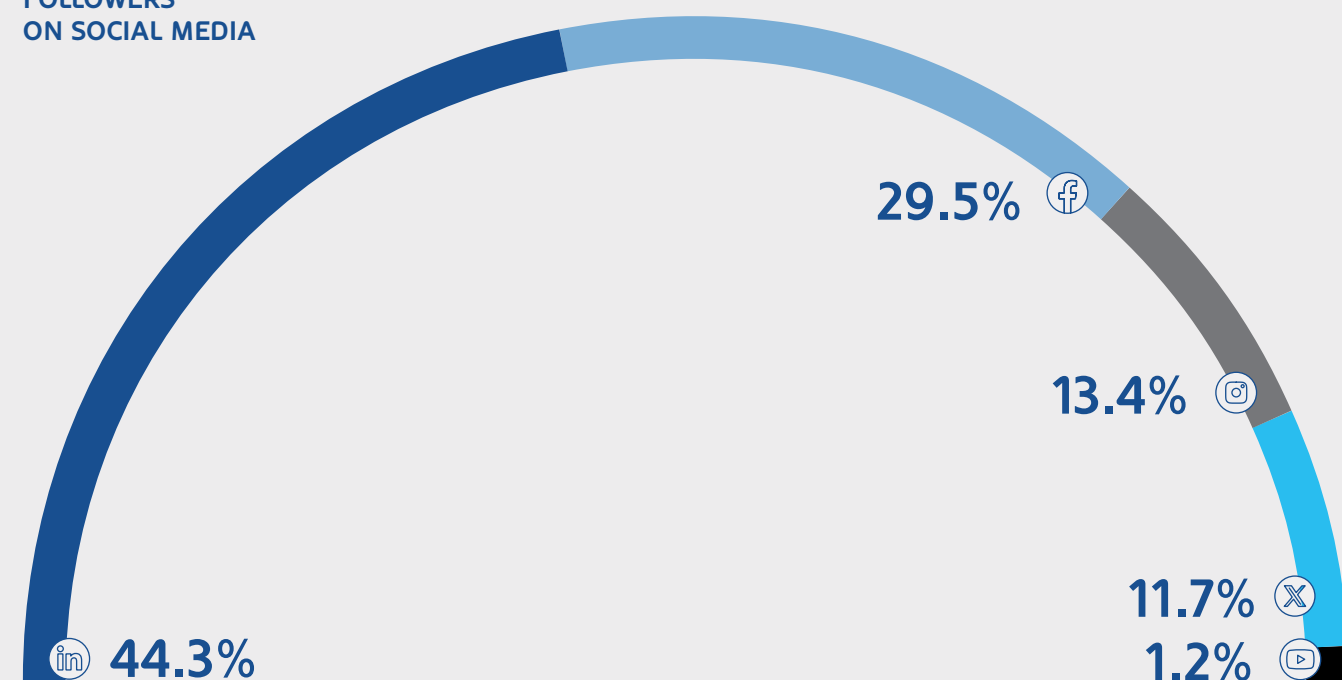
**45.3%**  
Connection via mobile and the web page



**17.5%**  
Solely connecting via mobile device

**37.2%**  
Solely connecting via the web page

## FOLLOWERS ON SOCIAL MEDIA





# Digitalisation of processes

Another line of action for 2023 has been the application of digitalisation in the search for process efficiency, both internally and in the business lines. Internally, the institution's dashboards have been digitised and all business processes have been reviewed, starting an ambitious re-engineering project and applying improvements to many of the bank's processes.

**172**  
processes revised/improved/implemented

**108**  
operations automated

**3**  
products based on blockchain technologies

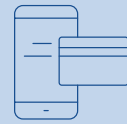
**x 2.2**  
number of transactions performed digitally (compared to 2022)

**+71%**  
increase in online banking access (compared to 2022)

## IMPROVED DIGITALISATION IN 2023



Offer an *app-first* experience, with a completely new *look&feel*.



Facilitating payment between individuals.



Enable being a 100% remote client.



Giving the client the ability to apply for new products, offer them more investment products, and enable certificates 100% autonomously without having to come into the branch.

## MAIN DIGITAL PROJECTS TAKEN ON IN 2023

### Bizum

- New mobile app
- Bizum for minors
- NGO donations

### Processes available 100% online

- Onboarding for resident and temporary clients
- Card requests
- Certificate requests
- Loan applications
- Management of consents
- Contracting pre-approved loans

Improvements to the online broker, which now extend to over 500 securities and include ETFs.

Tax consultations by MeetingLawyers (exclusively for Private Banking segments).

Garmin Pay™.

Obtaining new cards without leaving home.

Management of consents.

Contracting pre-approved loans.

The roadmap also includes two initiatives from the 2022-2024 strategic plan that will transform us as an institution and make us better prepared for the challenges of the future. On the one hand, we are currently working on a plan to transform and simplify various internal processes that have a direct impact on the procedures carried out by clients, making them simpler and more agile. On the other, the incorporation of digital assets into the client's digital channel will make the new investment offer in this new asset class more accessible and will revolutionise how people and companies will exchange value in the very near future. Adaptation to WCGA2.1 accessibility regulations is also planned for 2024.

## WE CONTRIBUTE VALUE TO OUR CLIENTELE

**€ 1.3 M**

invested in digital and technology development in 2023 (+ 12% compared to 2022)

**7.8 M**

of logins to digital banking in 2023 (+72% compared to 2022)

**819,743**

transactions made via online banking in 2023 (+123% compared to 2022)

**21.4%**

of 100% digital clients

**17.3%**

of clients with Bizum

For the sixth year, MoraBanc has won the awards organised by the prestigious London-based magazine *World Finance* distinguishing the best digital bank and the best banking application in Andorra. This award reinforces MoraBanc's position as the leading digital bank in Andorra.

MoraBanc is the first bank in Andorra to offer the possibility of making payments with a watch using the Garmin Pay™ service.





# Products and services with ESG criteria

WE CONTRIBUTE VALUE TO OUR CLIENTÈLE

**+67%**

products that incorporate ESG criteria with respect to 2022



## Pensium Social Bond

With a **€1,200,000** investment, in 2023 MoraBanc has marketed a social bond from Pensium, a company that allows families to obtain financing to pay for senior residences or home care, managing the rent of the empty dwelling, anticipating double the rent.



## Discount on mortgages with sustainability criteria

New mortgages for properties that have energy certificates with an A or B label enjoy a discount of 0.25% on the differential rate.



## Sustainable cards

100% of the cards issued in 2023 are made from recycled plastic.



## Sustainable Future Fund

5.7% increase in assets under management in 2023 compared to 2022.



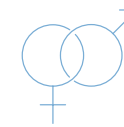
## Eco Car Loan

Intended to finance the purchase of electric vehicles and plug-in hybrid vehicles that are new or no more than three years old.



## Eco-Efficiency Loan

Loan with a personal guarantee to finance home or business refurbishments and purchase energy-saving equipment such as the installation of solar panels. The loan makes it possible to finance 100% of the sustainability project and to have all the capital up front, at the start of the operation.



## Rates that do not discriminate by gender

At MoraBanc Assegurances, the insurance rates associated with death coverage, as well as other complementary coverage (disability and serious illness), health and work leave do not distinguish by gender.



## BeHealthy

BeHealthy is a free and exclusive service included in our Health, Premium Health and Sick Leave policies that helps to care for and manage the health of our clients. With BeHealthy, the clients can create their medical history and consult it when needed, set challenges to improve their habits, follow a healthy diet, record their sports sessions and much more.

MoraBanc Insurance offers the BeHealthy service to all clients over the age of 18 who have a 4Health Salut Basic, 4Health Salut Premium, 4Health Salut Baixa Laboral, 4Health Vida policy, and any Andorvida policy that has health and work leave coverage. This service is available to more than 7,000 people.

MoraBanc Insurance has created a dynamic health platform through group challenges associated with the physical activity of our insured holders. For example, "Let's take 350,000 steps to combat cancer" or "Let's climb the highest peak in Andorra, step by step". The purpose of the challenges is to integrate healthy activities into the lives of our clients.



## Doctor at home

MoraBanc Insurance was a pioneer in offering, at no cost to the client, a home medical care service 24 hours a day, 365 days a year. To be able to have this exclusive service, the client must have health coverage under Salut Bàsica or Salut Premium or Baixa Laboral unemployment insurance coverage. The main advantage of this service is that it eliminates trips from home to the medical centre, and the resulting time in the waiting room. MoraBanc Insurance offers this service to more than 7,200 clients of the company.



## Private credit fund listed under Article 8

In 2024, MoraBanc will begin the distribution in Andorra of a private credit fund listed under Article 8 of the EU Sustainable Finance Disclosures Regulation (SFDR). Article 8 includes the investment in companies that have an ESG component. MoraBanc is also currently working on identifying the financing of projects aimed at improving energy efficiency.

Other products such as the Jove youth card or the Prèstec Postgrau graduate loan programme complete the ESG product portfolio to reach a total of 15 products in 2023.



# Talent management

The people who work at MoraBanc underpin our organisation and are the keys to the success of our activity. We consider the development and drawing of talent as fundamental pillars, and the People Management Department takes a multi-pronged approach to promote cohesion, motivation and professional growth and satisfaction. This includes ensuring diversity and equal opportunities, as well as preparing training and personal and professional growth plans suitable for each profile.

The number of MoraBanc group employees in 2023 stood at 453 people, distributed across the five locations where we operate: Andorra, Barcelona, Madrid, Zurich and Miami.

**WE ADD VALUE TO PEOPLE**

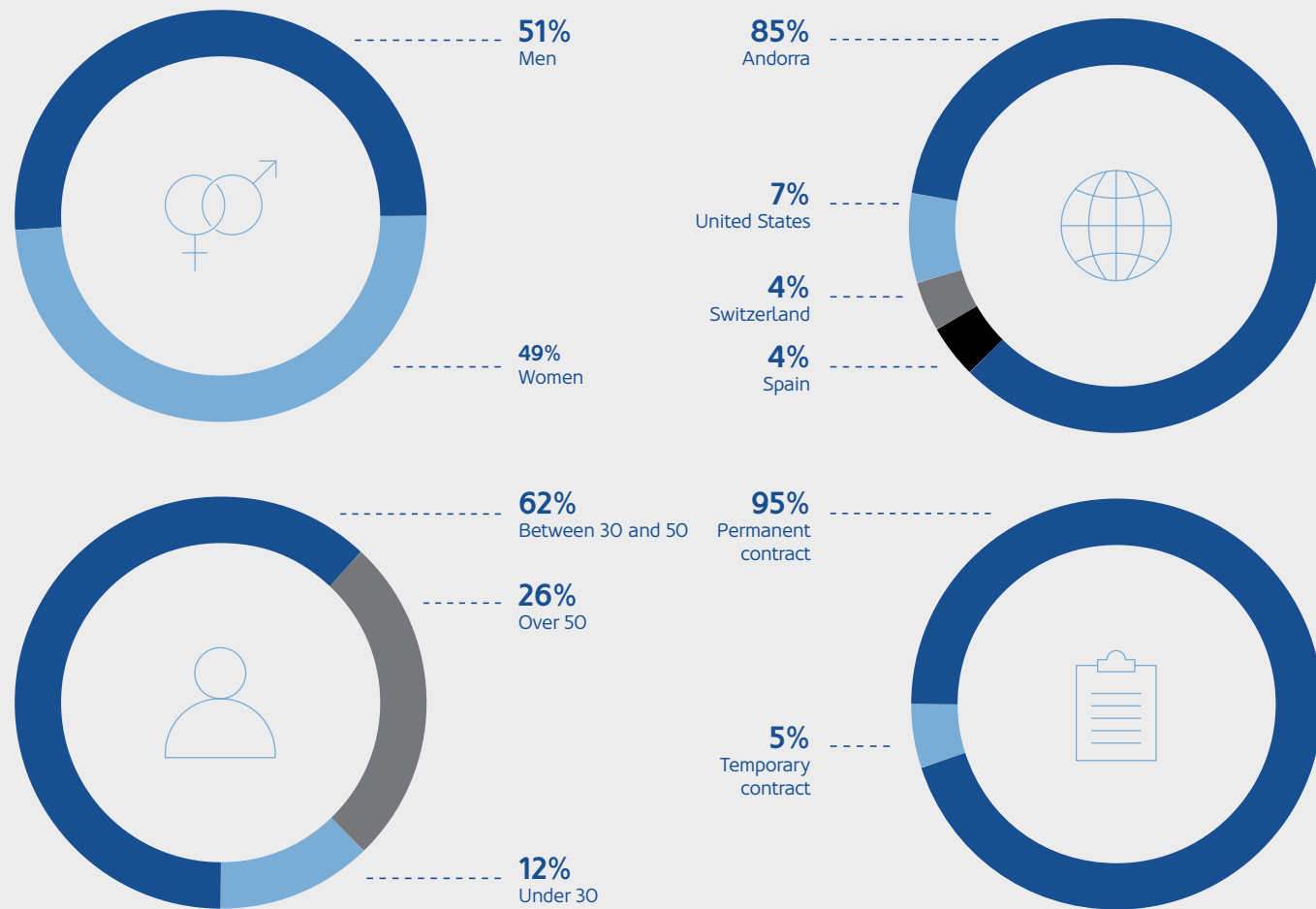
**95%**

on permanent contracts

**11.2**

average years of seniority (-3% compared to 2022)

## PROFILE OF THE GROUP'S WORKFORCE



# Work-life balance and well-being

Social benefits and a good balance of one's personal and professional life are key elements in MoraBanc's strategy to ensure the organisational well-being our staff.

## FAMILY WORK-LIFE BALANCE MEASURES

MoraBanc has family work-life balance measures in place that provide for, among others:

Schedule flexibility.

Working hour reductions.

Leaves of absence.

Paid leave.

Aggregated nursing hours.

Telecommuting.

## SOCIAL BENEFITS

MoraBanc's vision is to be the best company for its workers and offers social benefits that are added to the ordinary remuneration received by its teams.

In 2023, professional coaching service has once again been extended to all MoraBanc staff who want support to define and forward their career aspirations and expectations.

In addition, the workforce has been the beneficiary of an exceptional bonus in recognition of the work done to achieve MoraBanc's objectives.

In 2024, MoraBanc will implement a retirement plan for the entire staff in the organization.

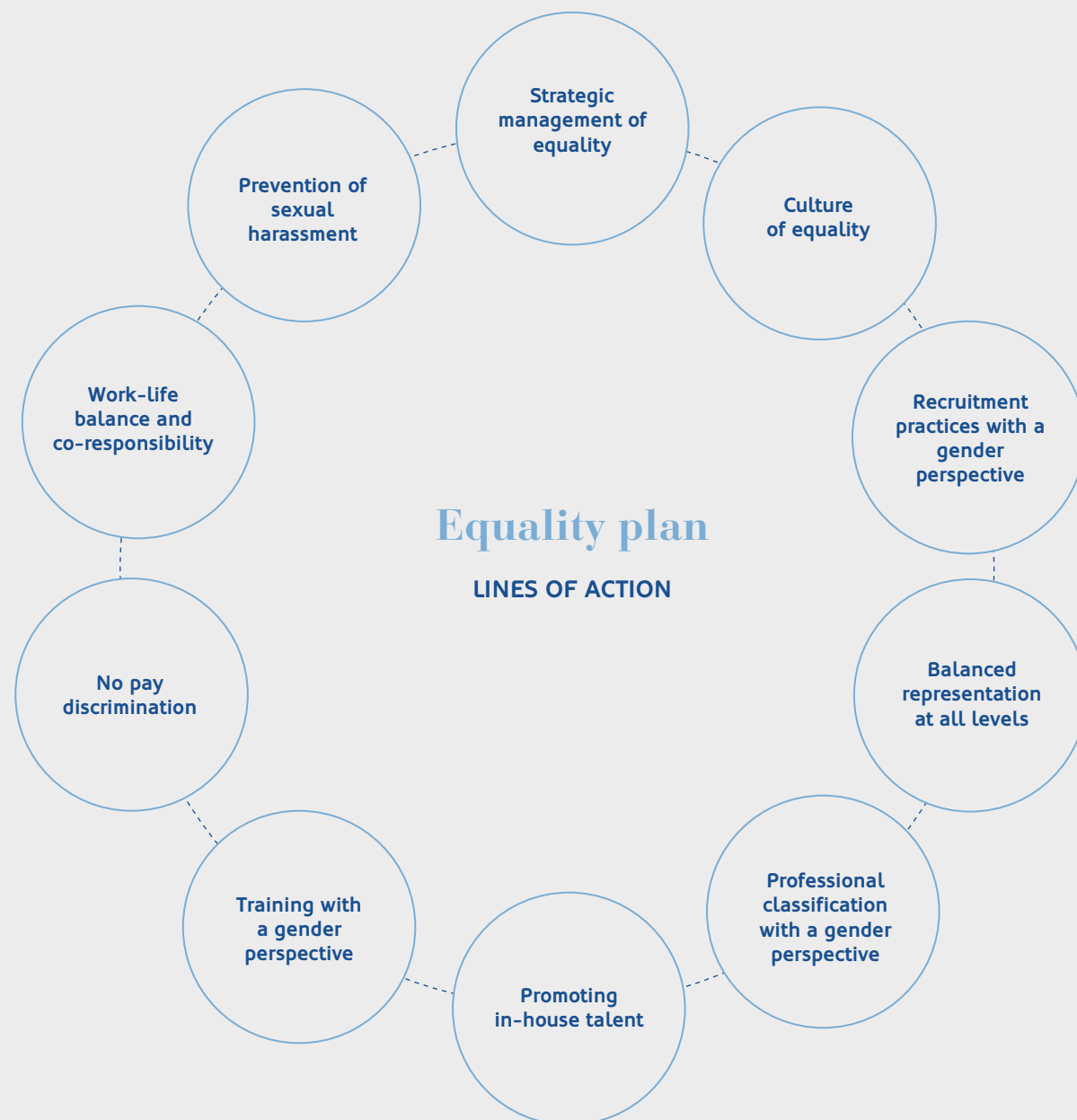




# Equal opportunities and non-discrimination

MoraBanc promotes an organisational culture based on equal opportunities and non-discrimination.

In 2023 the **MoraBanc Equality Plan between Men and Women** was approved, with an expected duration of four years. It consists of 31 measures that are articulated through 10 lines of action.



**WE ADD VALUE TO PEOPLE**

**49%**  
women



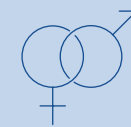
The implementation of the Plan and the evaluation of its objectives and indicators is carried out by a Monitoring and Evaluation Committee that meets every six months. The Equality Plan contemplates two prominent and specialised roles to promote and collaborate in the equal treatment and opportunities between women and men at MoraBanc:

**DIRECTOR OF EQUALITY.**

Promotes equality at all the Group's work centres. This is the person appointed by the Group's Chief Executive Officer who is responsible for coordinating the implementation of the Equality Plan and the monitoring of the Committee based on the evaluation and follow-up of the plan.

**AGENT OF EQUALITY.**

Prominent person on the workforce with specific training in equality, qualified to attend to anyone on the staff and participate in different internal initiatives aimed at achieving equal treatment and opportunities between women and men in the workplace.



**SEXUAL OR GENDER HARASSMENT PREVENTION PLAN.**

MoraBanc also has a **Sexual or Gender-based Workplace Harassment Prevention Plan**. To help address this type of situation, MoraBanc has set out a procedure so that employees can report actions that violate the Group's Code of Ethics and Conduct.



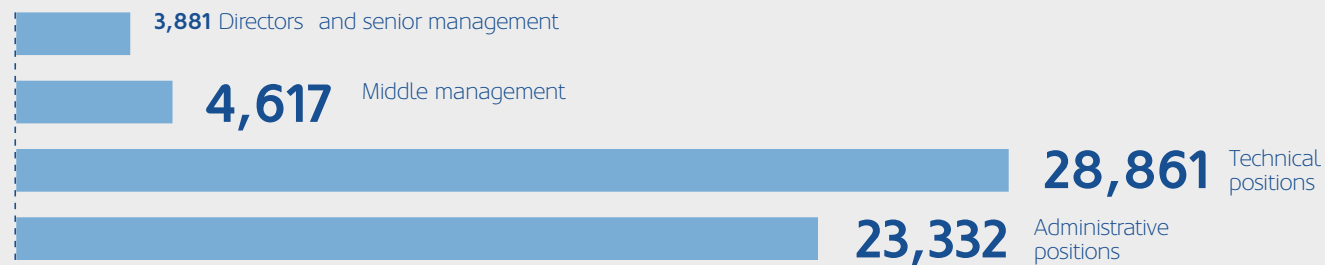
# Training and professional development

MoraBanc has an **Annual Training Plan** which includes:



- Compliance.
- Certifications.
- Development training.

## TRAINING HOURS ACCORDING TO PROFESSIONAL CATEGORY



Training can be carried out internally, externally or online. MoraBanc has two digital platforms for training:

### MORABANC TALENT.

Progressive and continuous learning tools adapted to each job profile. The purpose of the platform is to provide bite-size courses in various fields:

Access to expert knowledge in business, technology and strategy areas.

Technical skills.

Internal knowledge management.

Languages.

Mentoring.

Digital Induction (Onboarding).

### LINKEDIN LEARNING.

Access to training courses with diversified, high-quality and personalised content and specialised knowledge in innovation, technology, business and strategy.

In 2024, all training is expected to be integrated into MoraBanc's new people management platform. With the aim of promoting internal communication, it is also planned to launch the "Café with you" initiative, a breakfast meeting of twelve people from different teams of the bank and a member of the Management Committee.

Performance evaluation is done quarterly for staff in the sales department and annually for the rest of the workforce.

WE ADD VALUE TO PEOPLE

**60,696**  
hours of training

**134**  
average training hours per person

**100%**  
have received training in ESG

MoraBanc has a corporate volunteering programme within the framework of which support has been given to the association Hi Arribarem, an organisation that works to bring the mountain closer to people with functional diversity. In 2023 there were 15 participants.





# ANNEX





# GRI table of contents

## Declaration of use

MoraBanc presents the information mentioned in this GRI content index for the period between 1 January and 31 December 2023 using the GRI Standards as a benchmark.

## Basic general contents

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
------------------------	-------------------------	-----------

### GRI 2 General contents 2021

#### ORGANISATION PROFILE

<b>2-1 Details of the organisation</b>	Mora Banc Grup, SA Av. Meritxell, 96 AD500 Andorra la Vella Principality of Andorra
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<b>2-2 Entities included in the sustainability report</b>	The information submitted relates to the companies which appear in the consolidated financial statements. If the scope does not coincide in some cases, this is specified in the corresponding section of the report.
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<b>2-3 Period covered by the report, frequency and point of contact</b>	The report covers the period between 1 January and 31 December 2023. Date of last report: 2022. Reporting cycle: annual. Any queries which may arise in relation to this report may be emailed to <a href="mailto:esg@morabanc.ad">esg@morabanc.ad</a>
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<b>2-4 Restatements of information</b>	There have been no restatements of the information contained in previous reports. In the event that a calculation formula of any of the figures has changed, it is specified in a footnote.
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<b>2-5 External verification</b>	The report has not been verified externally.
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<b>2-6 Activities, value chain and other business relationships</b>	<a href="#">Pages 14-15.</a> <a href="#">Page 17</a> MoraBanc offers its clients commercial banking, private banking and wealth management services, investment funds managed by the Group's management company and insurance by the Group's insurance company.
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In accordance with our activity, we differentiate supplier companies according to whether they provide financial, auditing and consulting services and those that supply materials, and maintain and supply infrastructure. In MoraBanc's commitment to sustainability we prioritise companies that operate with a responsible attitude towards society and the environment.

In 2023, there were no significant changes to MoraBanc's corporate structure or its supply chain.

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
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### 2-7 Working people

In 2023 there were no significant fluctuations in relation to the number of working people during the subject period.

#### Total number and distribution of permanent, temporary and non-guaranteed hourly workers broken down by gender

<b>Indefinite (permanent)</b>	<b>431</b>
% Permanent	95%
Men	224
% Men	52%
Women	207
% Women	48%
<b>Temporary</b>	<b>22</b>
% Temporary	5%
Men	8
% Men	36%
Women	14
% Women	64%
<b>Non-guaranteed hours</b>	<b>0</b>
% Non-guaranteed hours	0
Men	0
% Men	0
Women	0
% Women	0

#### Total number and distribution of permanent, temporary and non-guaranteed hourly workers broken down by age range

<b>Indefinite (permanent)</b>	<b>431</b>
% Permanent	95%
Under 30	37
% Under 30	9%
Between 30 and 50	279
% Between 30 and 50	65%
Over 50	115
% Over 50	27%
<b>Temporary</b>	<b>22</b>
% Temporary	5%
Under 30	18
% Under 30	82%
Between 30 and 50	3
% Between 30 and 50	14%
Over 50	1
% Over 50	5%
<b>Non-guaranteed hours</b>	<b>0</b>
% Non-guaranteed hours	0%
Under 30	0
% Under 30	0
Between 30 and 50	0
% Between 30 and 50	0
Over 50	0
% Over 50	0



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
	<b>Total number and distribution of full-time and part-time workers broken down by gender</b>	
	<b>Full-time</b>	<b>437</b>
	% Full-time	96%
	Men	230
	% Men	53%
	Women	207
	% Women	47%
	<b>Part-time</b>	<b>16</b>
	% Part-time	4%
	Men	1
	% Men	6%
	Women	15
	% Women	94%
	In 2023, there was no employee of the MoraBanc group with a disability.	
<b>2-8 Workers who are not employees</b>	The outsourced workforce consists of 45 people who provide administrative, technological, cleaning and security services to the Group.	
<b>GOVERNANCE</b>		
<b>2-9 Structure and composition of governance and organisation</b>	<a href="#">Page 33</a>	
<b>2-10 Appointment and selection of the highest governing body</b>	Defined in the Regulations of the Board of Directors.	
<b>2-11 Chair of the highest governance body</b>	<a href="#">Page 33</a>	
<b>2-12 Role of the highest governance body in the supervision of impact management</b>	<a href="#">Page 22-23</a>	
<b>2-13 Delegation of responsibility for impact management</b>	<p>The ESG Directorate's role is to lead the company's ESG culture, with a specific contribution to decisions affecting personnel, the environment and purchases, the clientèle, marketing, and institutional and shareholder relations.</p> <p>It is the responsibility of the ESG Directorate of the institution to ensure the integration and application of the basic principles contained in the ESG Policy, in the respective areas of authority, as well as to review it and propose the corresponding updates to the Board of Directors.</p> <p>To assess the progress of the actions taken within the framework of MoraBanc's ESG strategy, the ESG Directorate reports monthly to the CEO and at least twice a year, both to the Executive Committee and the Board of Directors.</p>	
<b>2-14 Role of the highest governance body in sustainability reporting</b>	<p>Within the ESG policy, it is foreseen in the organisation and governance structure that the Board of Directors is responsible for approving, supervising and periodically assessing the definition, development and implementation of the ESG strategy. In this regard, it is also responsible for approving, supervising and following the effectiveness of this Policy and the commitments included therein. The functions of the Audit and Control Committee include supervising and assessing the preparation and presentation of non-financial information and the effectiveness of internal control systems.</p>	

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
<b>2-15 Conflicts of interest</b>	<a href="#">Page 36</a>	The regulator supervises possible conflicts of interest, also regarding the incompatibility of positions.
<b>2-16 Communication of critical concerns</b>	In 2023, no critical concerns were reported to the highest governing body.	
<b>2-17 Collective knowledge of the highest governance body</b>	Several members of the Board have in-depth knowledge of ESG matters. One person on the Board holds a credential, specifically, a certification issued by ESADE.	
<b>2-18 Evaluation of the performance of the highest governance body</b>	<p>In accordance with the Communiqué no. 245/17 of 13 January 2017, issued by the Andorran Financial Authority, called: "Requirements in relation to the corporate governance of banking institutions", and under section 2 of Article 6.3 of Law 8/2013, the MoraBanc Board makes an annual assessment of the continued suitability of the Board of Directors' function and each of its members, as well as its executive committees, taking into account their contribution to the board of directors and taking Principle 3 as a reference: "Board structure and practices", contained in the "Principles of corporate governance for banks", published in July 2015 by the Basel Committee on Banking Supervision.</p> <p>The most recent assessment of the Board, corresponding to the 2023 financial year, was performed by the consulting firm SpencerStuart. During this process, each member of the Board answered an online questionnaire about the functioning of the Board of Directors and was subsequently interviewed by members of the SpencerStuart team about the questionnaire and the responses in relation to the aspects of the operation of the Board and its executive committees, as well as specific questions regarding the exercise of the office of the chairman, the CEO and the secretary of the Board.</p>	
<b>2-20 Process to determine remuneration</b>	The Appointments and Remuneration Committee supervises the process of determining remuneration.	
<b>STRATEGY, POLICIES AND PRACTICES</b>		
<b>2-22 Declaration on the sustainable development strategy</b>	<a href="#">Pages 6-7</a>	
<b>Ethics and integrity</b>		
<b>2-23 Policy commitments</b>	<p>MoraBanc has the following public policies:</p> <ul style="list-style-type: none"> <li>- <a href="#">Client data protection policy/es</a></li> <li>- <a href="#">Privacy policy</a></li> <li>- <a href="#">Selection, appointment, renewal and diversity policy</a></li> <li>- <a href="#">ESG Policy</a></li> <li>- <a href="#">Order management and implementation policy</a></li> <li>- <a href="#">Asset protection policy</a></li> <li>- <a href="#">Conflict of interest management policy</a></li> </ul> <p>Regarding ESG matters, the strategy document describes how the policy works and explains how it is governed.</p> <p>MoraBanc is subject to the decree approving the Revised Text of Law 8/2013 of 9 May on the organisational requirements and operating conditions for institutions working in the financial system, investor protection, market abuse and financial guarantee agreements and strictly complies with it.</p>	



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
<b>2-24 Incorporation of policy commitments</b>	<p>MoraBanc is a bank with professional management and governance. The Board of Directors and its committees comply with the European Union's regulations on transparency and ethics, the guidelines of the Basel Committee and international practice in the field of good corporate governance of the financial institutions among which we wish to be counted. The Board ensures the incorporation of commitments and policies for responsible business conduct in all its activities and commercial relations:</p> <ul style="list-style-type: none"> <li>The Board is organised into committees that monitor issues regarding senior management and the areas responsible for ensuring compliance with its commitments and policies. The Chief Executive Officer (CEO) is the highest executive of the institution and assigns responsibilities to the various departments to comply with the commitments and application of the policies. Each directorate reports to the CEO to monitor commitments.</li> <li>There are three-year strategic plans that set growth and market position targets that take into account the challenges and risks we face and identify opportunities. From the strategic plan, and especially in the area of Governance, commitments and policies are set and then subsequently implement in the relevant departments and deployed throughout the organisation through their publication and training of all people or groups identified as relevant.</li> <li>MoraBanc aims to align its commitments with its commercial relations. In the management of its supplier companies, the selection criteria are set to ensure as much as possible the commitments are applied, through the signed contracts. Through its commercial relations, the dissemination of commitments is then sought via communication campaigns, joint projects or others.</li> <li>All staff must complete initial training that covers the commitments made and policies in force. Subsequently, follow-up training and updating of the most relevant elements of the commitments are organised.</li> </ul>	

#### 2-25 Processes to remedy negative impacts

In the last quarter of 2023, the NPS was 2.

##### Number of complaints and claims

	2021	2022	2023	Change 2022-2023
<b>TOTAL MoraBanc group</b>	289	339	<b>345</b>	<b>+1.8%</b>

##### Average response time for complaints and claims (calendar days)

	2021	2022	2023	Change 2022-2023
<b>TOTAL MoraBanc group</b>	10.67	24.50	<b>9.75</b>	<b>-60%</b>

Complaints can be generated by any client or non-client of the institution. However, adjustments can only be made to identified clients. Adjustments amounting to less than €100 would not fall within this process and would be made directly by the managers or by the Back Office.

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
	<p>The complaints and claims process can be initiated through various channels by the client or non-client:</p> <ul style="list-style-type: none"> <li>at the branch and filing a complaint with the manager.</li> <li>via the web using a specific form available to clients/non-clients or via email directly to <a href="mailto:morabanc@morabanc.ad">morabanc@morabanc.ad</a>.</li> <li>via the social media channels that are reviewed daily by the Marketing and Brand team, who would then transfer the complaint to the Client Experience team.</li> <li>via public entities such as the Government or the AFA.</li> <li>via Telebanc, by phone or by email at <a href="mailto:telebanc@morabanc.ad">telebanc@morabanc.ad</a></li> <li>using the Government's official claim forms, available at the branches.</li> </ul> <p>The process for resolving complaints and claims varies depending on the type (monetary or non-monetary) and the amount. All claims are entered in the relevant database for registration and handling, and depending on the type will go through a different review or approval process.</p> <p>Once the claim/complaint is closed, the institution must inform the client/non-client of the result. The response process depends on the input channel of the claim/complaint.</p> <ul style="list-style-type: none"> <li>In the event of a complaint through social media, the manager must inform the Marketing/Brand team of the response so they may in turn inform the person making the complaint.</li> <li>In the event that it comes from any other channel, unrelated to the social network and it is not an official complaint received from the AFA or Government, it is the manager who is in charge of contacting the claimant to inform them of the resolution of the complaint/claim.</li> <li>If it is an official complaint received from the AFA or the Government, two communications are made. On the one hand, the manager communicates directly with the claimant to comment on the resolution of their complaint/claim, and on the other hand, a response is given to the entity issuing the claim or complaint. To do this, a formal response letter is drawn up, the signatures of the sales department are collected, the response is validated with the Legal Counsel department and the letter is sent to the entity.</li> </ul>	
<b>2-26 Mechanisms for seeking counsel and raising concerns</b>	<p>There are several channels such as regular meetings with the general manager in which questions and queries can be submitted anonymously, breakfast meetings with members of the Management Committee, individual sessions with the <i>coaching</i> service or an email can be sent directly to the CEO, as he himself has requested the staff to do.</p>	
<b>2-27 Compliance with laws and regulations</b>	<p>In 2023, Mora Banc Grup, SA, received a penalty of 115,038 euros (after the application of a 40% reduction on the penalty of 191,730 euros, proposed by the AFA, in accordance with the article 8.3 of the Law regulating the disciplinary regime of the financial system (LRRD), provided for under Article 18, section 2, of the LRRD, for the commission of a serious infraction, typified in Article 16, letter a) of the aforementioned rule, for having acted without mandatory authorisation.</p>	
<b>2-28 Membership in associations</b>	<p><a href="#">page 17</a></p>	



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### PARTICIPATION OF STAKEHOLDERS

#### 2-29 Approach to Stakeholder Engagement

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For the selection of stakeholders, MoraBanc has taken into account the materiality report drawn up in 2023.

##### Number of followers per social network

	2021	2022	2023	Change 2022-2023
<b>TOTAL MoraBanc group</b>	<b>16,133</b>	<b>18,148</b>	<b>21,882</b>	<b>21%</b>
Facebook	6,107	6,233	6,448	3%
X	2,381	2,465	2,552	4%
LinkedIn	5,270	6,689	9,684	45%
Instagram	2,166	2,525	2,925	16%
YouTube	209	236	273	16%
<b>TOTAL MoraBanc group (%)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
Facebook	38%	34%	29%	-14%
X	15%	14%	12%	-14%
LinkedIn	33%	37%	44%	20%
Instagram	13%	14%	13%	-4%
YouTube	1%	1%	1%	-4%

#### 2-30 Collective bargaining agreements

MoraBanc does not have any collective bargaining agreements, given that the Andorran regulations stipulate that it is the workers who must undertake to establish one, which has not occurred thus far.

### Material issues

#### 3-1 Process for determining material issues

The purpose of this report is to offer a true and fair view of the economic, social, environmental and corporate performance of MoraBanc. It therefore stems from our determination to create an environment of trust with our stakeholders through access to key information related to policies and actions in the area of social responsibility. For the 2023 financial year, MoraBanc has updated its materiality matrix and the identification of stakeholders, to define its sustainability strategy.

To update the materiality matrix, an internal and external analysis has been performed that has identified what are currently the priority issues in the area of sustainability for the different stakeholders of the organisation, as well as trends in the sector to take into account, for a greater impact.

For the internal diagnosis, the following activities were conducted:

1. Collection and analysis of MoraBanc's internal documentation, with the aim of knowing the organisation, the business strategy, the priorities and the degree of development in sustainability issues.
2. Direct consultation with the Management of MoraBanc with the conducting of 5-7 interviews to understand their vision on the current sustainability situation, the priorities, as well as their perception of the impact, contribution and responsibility of the institution with society.
3. Analysis of the alignment of sustainability actions with MoraBanc's business strategy.

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#### 3-1 Process for determining material issues

The external diagnosis took into account the following points:

1. Analysis of the main trends marked by sustainability leaders in the financial sector. In this regard, an analysis was performed of the actions that are implemented in this area and which trends influence the activities of organisations and condition them in the ethical, social, environmental and good governance aspects, as well as the resulting risks and opportunities to which they are exposed.
2. Performance of a *benchmarking* of 5 *peers* to enable the identification of the best sustainability practices in the sector, through the analysis of the public information available from each selected organisation (review of corporate web pages, statements and annual reports, etc.).
3. Analysis of public information from prominent figures in the sector such as the ABA (Andorran Banks Association), the AFA (Andorran Financial Authority), the EBA (European Banking Association), the ECB (European Central Bank) or the European Banking Federation.
4. Analysis of public information from sustainability benchmarks and indices such as the UN (Global Compact, ODS), GRI, DJSI, CDP, FTSE4Good, Sustainalytics, Standard Ethics, SASB, etc.
5. Online surveys of employees to weigh their vision on sustainability at MoraBanc as a relevant stakeholder for the organization.
6. Collection of internal information available in relation to the expectations of the various stakeholders (e.g. earnings, previous materiality analysis, results, brand attribute study, client satisfaction surveys, etc.).

With the internal and external diagnosis, the materiality analysis has been updated, determining the relevant aspects the bank is to take into account when defining the sustainability strategy and the indicators to measure the financial year and set goals for it. The identified material matters have been *matched* and linked to the UN's SDGs, with the aim of identifying and prioritising those most relevant to MoraBanc.

Stakeholders participating in the determination of the material issues:

- Board of Directors.
- Management Committee.
- Employees.
- Clients.
- Suppliers.
- Partners.
- Majority shareholders.

We prepare the report following the recommendations of the international GRI (Global Reporting Initiative) standards and explain it accounting to the Integrated Reporting (IR) guidelines.

#### 3-2 List of material issues

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Material issues by strategic line (priorities shown in bold):

Responsible governance:

- **Risk management**
- **Financial results**
- Corporate governance and business ethics
- Legislative compliance and anticipation
- Fight against corruption and bribery
- Corporate transparency in products and services
- ESG criteria in transactions
- Cybersecurity and data protection



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
3-2 List of material issues	<p>National institution</p> <ul style="list-style-type: none"> <li>– Business model and strategy</li> <li>– Commitment to local communities</li> <li>– Climate crisis</li> </ul> <p>Growth of people</p> <ul style="list-style-type: none"> <li>– Client experience</li> <li>– Digitalisation of services</li> <li>– Diversity, equal opportunities and non-discrimination</li> <li>– Products and services with ESG criteria</li> <li>– Work-life balance and well-being</li> <li>– Training and professional development</li> </ul>	

#### ECONOMIC ISSUES

##### GRI 201: Financial performance 2016

3-3 Management of material issues	<p>Economic achievement is a principal material topic for MoraBanc's stakeholders and it is also an essential element of the activity. The impact of financial performance occurs directly in one part of the stakeholders: employees, suppliers, shareholders, clientèle, etc.; and also indirectly to the rest of society through the generation of wealth.</p> <p>The institution evaluates the economic achievement thanks to its continuous monitoring of the business indicators, drawing up the necessary reports. The Executive Committee applies the appropriate amendments or corrections if necessary.</p>
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##### 201-1 Direct economic value generated and distributed

#### La gestió econòmica i els resultats financers

##### Direct economic value generated and distributed / Added value statement (in thousands of euros)

	2021	2022	2023	Change 2022-2023
<b>Direct economic value generated (income)</b>	<b>126,057</b>	<b>131,056</b>	<b>163,560</b>	<b>25%</b>
Financial margin	30,538	45,346	85,279	88%
Net fees for services	67,194	70,881	63,294	-11%
Income from financial operations	21,984	7,910	9,040	14%
Other income	6,341	6,919	5,947	-14%
Grants	0	0	0	-
<b>Economic value distributed</b>	<b>68,375</b>	<b>85,490</b>	<b>96,792</b>	<b>13%</b>
Operational costs	12,351	26,956	34,565	28%
Salary expenses	36,816	43,761	45,487	4%
Payments to capital suppliers	5,536	6,109	7,882	29%
Payments to the government*	12,672	7,180	7,419	3%
Community investment	1,001	1,484	1,439	-3%
<b>Economic value retained</b>	<b>57,682</b>	<b>45,566</b>	<b>66,768</b>	<b>47%</b>
Amortisations	14,467	6,990	11,071	58%
Reserves	43,215	38,576	55,697	44%
<b>Economic value distributed and retained</b>	<b>126,057</b>	<b>131,151</b>	<b>163,560</b>	<b>25%</b>

\*Taxes paid by the Andorran companies Mora Banc Grup, Mora Assegurances and Mora Gestió d'Actius.

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS																																								
201-2 Financial implications and other risks and opportunities arising from climate change	Page 41																																									
201-4 Financial assistance received from the government	MoraBanc does not receive any public aid.																																									
GRI 205: Fight against corruption 2016																																										
3-3 Management of material issues	Page 36																																									
205-1 Operations assessed for risks related to corruption	The Code of Ethics and Conduct, which encompasses the Group's commitment to the fight against corruption, applies to 100% of MoraBanc's operations.																																									
205-2 Communication and training about anti-corruption policies and procedures	The MoraBanc Group's Code of Ethics and Conduct determines the framework and procedures for the prevention of corruption and bribery. Absolutely all staff who join MoraBanc receive training and sign the group's Code of Ethics and Conduct. If there is any update to the Code, everyone is informed.																																									
205-3 Confirmed incidents of corruption and measures taken	There was no confirmed case of corruption at MoraBanc in 2023.																																									
<b>ENVIRONMENTAL ISSUES</b>																																										
<b>GRI 302: Energy 2016</b>																																										
3-3 Management of material issues	Page 57																																									
302-1 Internal energy consumption	<p><b>Energy consumption of MoraBanc in Andorra (in gigajoules)</b></p> <table border="1"> <thead> <tr> <th></th> <th>2021</th> <th>2022</th> <th>2023</th> <th>Change 2022-2023</th> </tr> </thead> <tbody> <tr> <td>Diesel (litres)</td> <td>49,032.00</td> <td>39,424.00</td> <td>49,743.00</td> <td>26%</td> </tr> <tr> <td>Diesel (KWh)</td> <td>529,545.60</td> <td>425,779.20</td> <td>537,224.40</td> <td>26%</td> </tr> <tr> <td>Diesel (GJ)</td> <td>1,906.36</td> <td>1,532.81</td> <td>1,934.01</td> <td>26%</td> </tr> <tr> <td>Electricity (KWh)</td> <td>2,659,183.00</td> <td>3,199,931.00</td> <td>2,824,400.00</td> <td>-12%</td> </tr> <tr> <td>Electricity (GJ)</td> <td>9,573.06</td> <td>11,519.75</td> <td>10,167.84</td> <td>-12%</td> </tr> <tr> <td><b>Energy consumption (in GJ)</b></td> <td><b>11,479.42</b></td> <td><b>13,052.56</b></td> <td><b>12,101.85</b></td> <td><b>-7%</b></td> </tr> <tr> <td><b>Energy consumption (in KWh)</b></td> <td><b>3,188,728.60</b></td> <td><b>3,625,710.20</b></td> <td><b>3,361,624.40</b></td> <td><b>-7%</b></td> </tr> </tbody> </table>			2021	2022	2023	Change 2022-2023	Diesel (litres)	49,032.00	39,424.00	49,743.00	26%	Diesel (KWh)	529,545.60	425,779.20	537,224.40	26%	Diesel (GJ)	1,906.36	1,532.81	1,934.01	26%	Electricity (KWh)	2,659,183.00	3,199,931.00	2,824,400.00	-12%	Electricity (GJ)	9,573.06	11,519.75	10,167.84	-12%	<b>Energy consumption (in GJ)</b>	<b>11,479.42</b>	<b>13,052.56</b>	<b>12,101.85</b>	<b>-7%</b>	<b>Energy consumption (in KWh)</b>	<b>3,188,728.60</b>	<b>3,625,710.20</b>	<b>3,361,624.40</b>	<b>-7%</b>
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<b>GRI 305: Emissions 2016</b>																																										
3-3 Management of material issues	Page 55																																									
305-1 Direct GHG emissions (scope 1)	Page 55																																									
305-2 Indirect GHG emissions in generating energy (scope 2)																																										
305-3 Indirect GHG emissions (scope 3)																																										



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**GRI 306: Waste 2020**

**3-3 Management of material issues** GESTIÓ DE RESIDUS

306-2 Waste by type and disposal method	Waste generated (in kg)				
	MoraBanc in Andorra	2021	2022	2023	Change 2022-2023
Paper	12,425.00	22,936.00	28,194.00	23%	
Cardboard	622.03	787.53	674.08	-14%	
Wood	-	-	4,620.00	-	
Plastic	-	-	520.00	-	
Toner	-	-	180.00	-	
Computer equipment	-	-	1,452.00	-	

**SOCIAL ISSUES**

**GRI 404: Training and education 2016**

**3-3 Management of material issues** Page 74-75

404-1 Average training hours per year per employee	Average hours of training by gender, age range and professional category	
<b>TOTAL MoraBanc group</b>	<b>133.99</b>	
<b>By gender</b>		
	Men	114.58
	Women	154.36
<b>By age range</b>		
	Under 30	266.70
	Between 30 and 50	138.93
	Over 50	59.05
<b>Number of training hours broken down by gender, age range and professional category</b>	<b>60,696</b>	
<b>TOTAL MoraBanc group</b>	<b>60,696</b>	
<b>By gender</b>	<b>60,696</b>	
	Men	26,583
	Women	34,113
<b>By age range</b>	<b>60,696</b>	
	Under 30	14,669
	Between 30 and 50	39,177
	Over 50	6,850
<b>By professional category</b>	<b>60,691</b>	
	Directors and senior management	3,881
	Middle management	4,617
	Technical positions	28,861
	Administrative positions	23,332

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
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**404-1 Average training hours per year per employee** Total number and percentage of workers receiving training by gender

By gender	403
Men	195
% Men	85%
Women	208
% Women	94%

**404-3 Percentage of employees receiving regular performance and career development reviews** All employees of MoraBanc undergo an annual assessment of their skills. 100% of the employees were assessed in 2023.

**GRI 405: Diversity and equal opportunities 2016**

**3-3 Management of material issues** Page 72-73

405-1 Diversity of governing bodies and employees	Composition of the Board of Directors of the MoraBanc group			
	2021	2022	2023	Change 2022-2023
<b>By gender</b>				
Men	9	9*	8	-11%
% Men	100%	100%	89%	-11%
Women	0	0	1	-
% Women	0%	0%	11%	-
<b>By age group</b>				
Under 30	0	0	0	0%
% Under 30	0%	0%	0%	0%
Between 30 and 50	3*	5*	5	0%
% Between 30 and 50	33%	56%	56%	0%
Over 50	6	4	4	0%
% Over 50	67%	44%	44%	0%

\* These data have been corrected with respect to the 2022 report.



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS			
<b>405-1 Diversity of governing bodies and employees</b>	<b>Composition of the Board of Directors of the subsidiaries</b>				
		2021	2022	2023	Change 2022-2023
	<b>Boreal Capital Management (Miami)</b>				
	<b>By gender</b>				
	Men	6	5	5	0%
	% Men	100%	100%	100%	0%
	Women	0	0	0	0%
	% Women	0%	0%	0%	0%
	<b>Total</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>0%</b>
	<b>By age group</b>				
	Under 30	0	0	0	0%
	% Under 30	0%	0%	0%	0%
	Between 30 and 50	3	3	3	0%
	% Between 30 and 50	50%	60%	60%	0%
	Over 50	3	2	2	0%
	% Over 50	50%	40%	40%	0%
	<b>Total</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>0%</b>
	<b>Boreal Capital Management (Zurich)</b>				
	<b>By gender</b>				
	Men	5	5	5	0%
	% Men	100%	100%	100%	0%
	Women	0	0	0	0%
	% Women	0%	0%	0%	0%
	<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0%</b>
	<b>By age group</b>				
	Under 30	0	0	0	0%
	% Under 30	0%	0%	0%	0%
	Between 30 and 50	3	4	4	0%
	% Between 30 and 50	60%	80%	80%	0%
	Over 50	2	1	1	0%
	% Over 50	40%	20%	20%	0%
	<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0%</b>
	<b>MoraWealth</b>				
	<b>By gender</b>				
	Men	5	3	6	100%
	% Men	71%	60%	86%	43%
	Women	2	2	1	-50%
	% Women	29%	40%	14%	-64%
	<b>Total</b>	<b>7</b>	<b>5</b>	<b>7</b>	<b>40%</b>
	<b>By age group</b>				
	Under 30	0	0	0	0%
	% Under 30	0%	0%	0%	0%
	Between 30 and 50	5	3	5	67%
	% Between 30 and 50	71%	60%	71%	19%
	Over 50	2	2	2	0%
	% Over 50	29%	40%	29%	-29%
	<b>Total</b>	<b>7</b>	<b>5</b>	<b>7</b>	<b>40%</b>

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS			
<b>GRI 406: Non-discrimination 2016</b>					
<b>3-3 Management of material issues</b>	Page 72-73				
<b>406-1 Incidents of discrimination and corrective measures taken</b>	There have been no cases involving discrimination at MoraBanc.				
<b>GRI 413: Local communities 2016</b>					
<b>3-3 Management of material issues</b>	El compromís amb el territori				
<b>413-1 Operations with local community engagement, impact assessments and development programmes</b>	Page 54 Page 68-69				
	<b>Beneficiary institutions</b>				
		2021	2022	2023	Change 2022-2023
	<b>TOTAL MoraBanc group</b>	<b>77</b>	<b>73</b>	<b>64</b>	<b>-12%</b>
	Culture	35	11	10	-9%
	Sport	5	5	6	20%
	Solidarity	23	29	29	0%
	Education	2	2	3	50%
	Economic development	12	26	16	-38%
	<b>Beneficiaries of the operation/social programme</b>				
		2021	2022	2023	Change 2022-2023
	<b>TOTAL MoraBanc group</b>	<b>270,421</b>	<b>885,219</b>	<b>429,418</b>	<b>-51%</b>
	Culture	207,934	741,240	281,999	-62%
	Sport	14,265	94,119	94,919	1%
	Solidarity	11,700	12,700	12,700	0%
	Education	35,772	36,000	38,900	8%
	Economic development	750	1,160	900	-22%
	<b>Number of projects or programmes</b>				
		2021	2022	2023	Change 2022-2023
	<b>TOTAL MoraBanc group</b>	<b>27</b>	<b>33</b>	<b>54</b>	<b>64%</b>
	Culture	9	11	16	45%
	Sport	5	7	8	14%
	Solidarity	5	8	8	0%
	Education	4	3	5	67%
	Economic development	4	4	17	325%
	In relation to the development of participation plans, we have direct contact with community stakeholders:				
	<ul style="list-style-type: none"> <li>Clients: NPS satisfaction surveys and market research. Direct and permanent contact through social media (LinkedIn, YouTube, Facebook, X and Instagram)</li> <li>Shareholders: annual meeting where the results of the group are explained; the current affairs of the company are periodically shared.</li> <li>Society: regular meetings and focus groups with clients and suppliers to carry out our market studies; economic and ESG conferences and informative public events with strategic partners.</li> <li>Suppliers: occasional focus groups.</li> <li>Staff: MoraBanc up to date. Regular session with the CEO who shares the bank's progress, results, etc. and openly answers the questions and concerns of the employees.</li> </ul>				



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
	<ul style="list-style-type: none"> <li>Media: direct information via press conference or press releases on events, products, etc. We are available to the press for any questions or concerns. Economy-related media contact us periodically to consult us about the market developments. From Tuesday to Saturday we also publish an article on financial news in the Diari d'Andorra and participate periodically on a radio programme on the economy on Radio Nacional d'Andorra.</li> </ul>	
	<ul style="list-style-type: none"> <li>Community: we sponsor the EFA (Andorran Family Business) conference series and the Andorran Family Business Forum. Participation in the Digitalisation Study of the country's companies together with the Chamber of Commerce, Industry and Services of Andorra.</li> <li>Public administrations, Government and organisations in the banking sector: regular meetings and on demand.</li> </ul> <p>Our website and social networks are updated information channels.</p> <p>We have several procedures to receive, manage and respond to complaints or claims made by members of local communities, with the aim of promoting participation, transparency and responsibility in the relations between MoraBanc and the community:</p> <ul style="list-style-type: none"> <li>Website/Manager: complaints and claims are dealt with quickly (<a href="http://www.morabanc.ad/ca/suggeriments-i-queixes">www.morabanc.ad/ca/suggeriments-i-queixes</a>).</li> <li>Branches: official claim form available to customers.</li> <li>Manager-to-client relationship/direct contact and also through Telebanc.</li> </ul>	

#### GRI 418: Client privacy 2016

#### 3-3 Management of material issues [PAGE 42-44](#)

##### 418-1 Substantiated complaints regarding breaches of client privacy and loss of client data

In 2023, there were no claims related to violations of client privacy or loss of their data, and there were no cases of leaks or theft of client data.

## Other relevant indicators

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS																																												
<b>GRI 401: Employment 2016</b>																																														
<b>401-1 New hires and staff turnover</b>	<p><b>New hires broken down by age range, gender and region</b></p> <table border="1"> <thead> <tr> <th>By gender</th> <th>62</th> </tr> </thead> <tbody> <tr> <td>Men</td> <td>26</td> </tr> <tr> <td>Women</td> <td>36</td> </tr> <tr> <th>By age range</th> <th>62</th> </tr> <tr> <td>Under 30</td> <td>26</td> </tr> <tr> <td>Between 30 and 50</td> <td>30</td> </tr> <tr> <td>Over 50</td> <td>6</td> </tr> <tr> <th>By region</th> <th>62</th> </tr> <tr> <td>Andorra</td> <td>58</td> </tr> <tr> <td>United States</td> <td>0</td> </tr> <tr> <td>Switzerland</td> <td>4</td> </tr> </tbody> </table> <p><b>Rate of new hires broken down by age range, gender and region</b></p> <table border="1"> <thead> <tr> <th>By gender</th> <th>14%</th> </tr> </thead> <tbody> <tr> <td>Men</td> <td>11%</td> </tr> <tr> <td>Women</td> <td>16%</td> </tr> <tr> <th>By age range</th> <th>14%</th> </tr> <tr> <td>Under 30</td> <td>47%</td> </tr> <tr> <td>Between 30 and 50</td> <td>11%</td> </tr> <tr> <td>Over 50</td> <td>5%</td> </tr> <tr> <th>By region</th> <th>14%</th> </tr> <tr> <td>Andorra</td> <td>15%</td> </tr> <tr> <td>United States</td> <td>0%</td> </tr> <tr> <td>Switzerland</td> <td>20%</td> </tr> </tbody> </table>	By gender	62	Men	26	Women	36	By age range	62	Under 30	26	Between 30 and 50	30	Over 50	6	By region	62	Andorra	58	United States	0	Switzerland	4	By gender	14%	Men	11%	Women	16%	By age range	14%	Under 30	47%	Between 30 and 50	11%	Over 50	5%	By region	14%	Andorra	15%	United States	0%	Switzerland	20%	
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**401-2 Benefits for full-time employees not provided to part-time or temporary employees** 365 people from MoraBanc in Andorra and Boreal Capital Management have the life insurance that is given to full-time workers.

386 people from MoraBanc in Andorra and Boreal Capital Management have health assistance that is given to full-time workers.

406 people from MoraBanc in Andorra and Boreal Capital Management have coverage for incapacity and invalidity that is given to full-time workers.

135 people from MoraBanc in Andorra and Boreal Capital Management receive retirement contributions that are given to full-time workers.

Morawealth's permanent staff enjoy flexible remuneration that allows them to have IRPF bonuses for restaurant receipts, nursery school and health insurance.

#### 401-3 Parental leave

In 2023 there were 15 people (4 men and 11 women) entitled to parental leave. All 15 have accepted and, after the end of the leave, 14 people (4 men and 10 women) returned to work and are still at MoraBanc twelve months later. The return rate after parental leave was 93% (100% men and 91% women).



GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
<b>GRI 403: Occupational health and safety 2018</b>		
<b>403- 1 Occupational health and safety management system</b>	The occupational health and safety management works in conjunction with an outsourced company responsible for identifying, assessing and controlling the hazards and risks associated with the work environment, in accordance with current regulations. The health and safety system follows current risk prevention regulations. 100% of activities and workplaces are covered by the occupational health and safety management system.	
<b>403-2 Hazard identification, risk assessment and investigation of incidents</b>	The identification of hazards and risks associated with the workplace is regularly analysed by an outsourced company. A medical examination is carried out on the entire workforce in which possible risks and dangers associated with their work are detected.  <b>Number of workplace accidents as to their frequency and severity</b>	
	No. of accidents	1
	Frequency rate	0.09%
	Severity rate	0.00%
<b>403-3 Occupational health services</b>	The outsourced risk prevention service carries out the tasks of identifying and eliminating hazards and minimising risks, and guarantees the quality of health services and facilitates access for workers.	
<b>403- 4 Participation of employees, consultations and communication about occupational health and safety</b>	The human resources department is available to all the workers to enable them, if necessary, to report any work-related situations that may cause risks. These situations will be analysed on a case-by-case basis and the appropriate measures will be taken.	
<b>403-5 Training of the workforce on occupational health and safety</b>	All people receive training regarding the risks associated with their workplace when they join the workforce and mandatory training in occupational risks prevention.  MoraBanc also periodically trains first responders and first aid teams to train the team in dangerous or risky situations.	
<b>403-6 Promoting the health of working people</b>	At MoraBanc we comply with Law 34/2008 on workplace health and safety and offer workers the opportunity of having a regular health check-up. In addition, we offer a full medical check-up every two years. MoraBanc promotes the health of its workforce with the social benefits it offers them in relation to their health, including 100% coverage of their salary in the event that they are on sick leave, 100% coverage of their Premium health insurance premium (includes access to the BeHealthy platform with best practices on health and gym discounts) and free access to the World Care service for all its employees.	
<b>403-7 Prevention and mitigation of impacts on employees' health and safety directly linked to business relationships</b>	MoraBanc has the support of an independent company which draws up a safety report linked to each work position at the institution, which identifies all the risks associated with each job, the likelihood and consequences of the risk occurring and the measures which should be taken in order to prevent it. The bank's Building and Safety Department is responsible for implementing preventative measures in order to minimise any workplace risks.  MoraBanc's central office located in Avinguda Meritxell was renovated in 2023 in order to expand the capacity to serve the public and improve the comfort of the 40 professionals who work there. The firm of architects has designed a pleasant space for the staff, with more open spaces and making the most of natural light, with chairs with ergonomic and adaptable features. It has also been ensured that there is suitable artificial lighting.	

GRI STANDARD INDICATOR	PAGE OR DIRECT RESPONSE	OMISSIONS
<b>403-9 Injuries due to occupational accidents</b>	The main reasons for workplace injuries can be slips or falls.  In 2023 there were no deaths or injuries due to occupational accidents.	
<b>403-10 Occupational diseases</b>	A total of 852,939.28 hours have been worked at MoraBanc in Andorra.	





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