



Bankinter
Green Bond Report

February 2023

bankinter.

1. Introduction

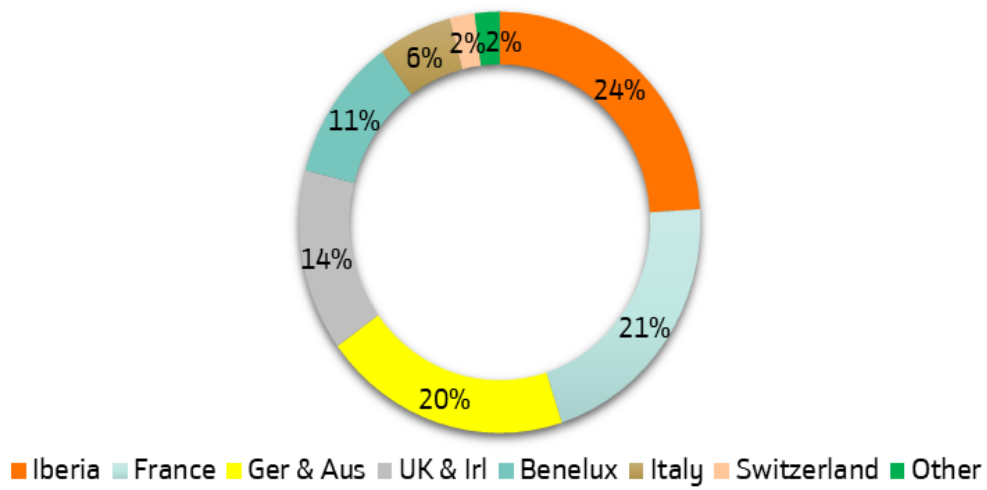
This is the third annual report on the use of proceeds and environmental impact of Bankinter green bond issues. Bankinter launched its inaugural and to date only Green Bond issue in February 2020.

Bankinter published its Green Bond Framework in November 2019 and amended it in July 2021. The sectors identified and made eligible under this amended and ICMA compliant Framework are Renewable Energies (solar, photovoltaic, thermosolar, wind energy...) and Green Buildings and the green loans funded by the Bank's green issues will finance in whole or in part eligible assets of those sectors. The Framework states that the Green Bond Committee of Bankinter has to meet on a regular basis (at least twice a year) and has to review and approve each proposed loan complying with the established criteria as it has been done since 2020.

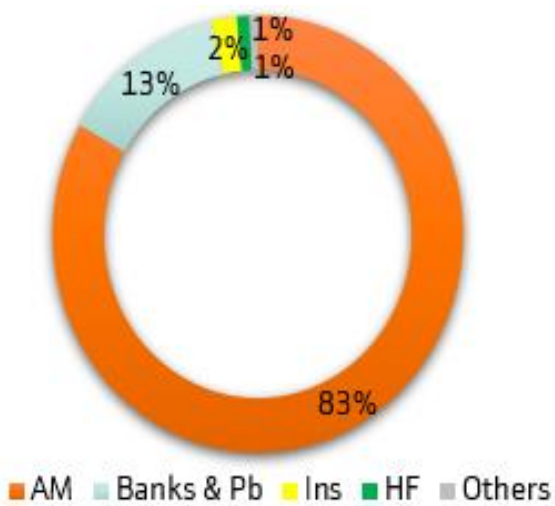
2. Bankinter inaugural Green Bond issue

Issuer	Bankinter SA
Issue Ratings	BBB/BBBH (S&P/DBRS)
Instrument	Senior Non-Preferred Notes
Nominal Amount (EUR)	750,000,000
Trade Date	29 Jan 2020
Date of Disbursement	6 Feb 2020 (T+6)
Maturity Date	6 Oct 2027 (Long 7 years)
Coupon	0.63%
Use of Proceeds	Under Bankinter's Green Bond Framework
Second Party Opinion	Sustainalytics
Documentation	Spanish domestic documentation registered with CNMV
ISIN	ES0213679JR9

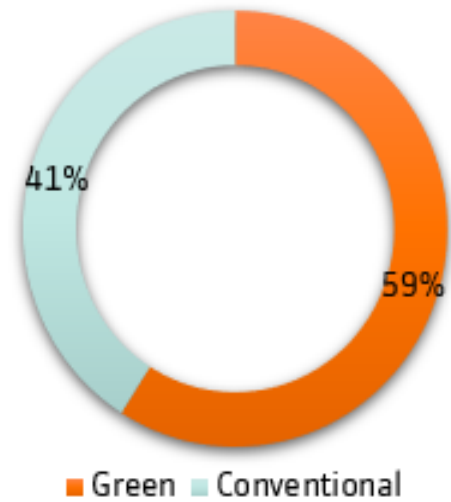
Geographical distribution



Investor type



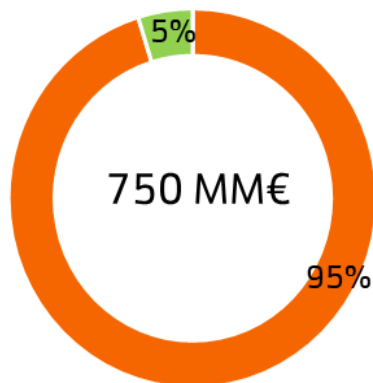
Green investors



3. Portfolio of eligible loans

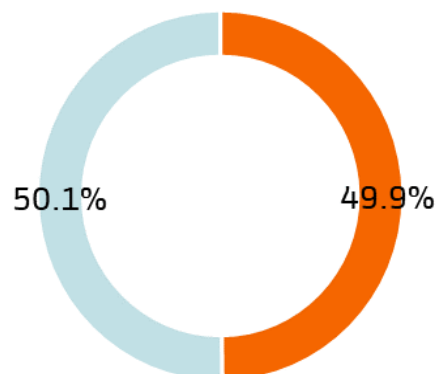
In 2022, the assets of the eligible green loan portfolio were 750 MM€. 95% of the portfolio consists of renewable energy projects and the remainder is financing of green buildings. All projects are located in the European Union.

Total portfolio



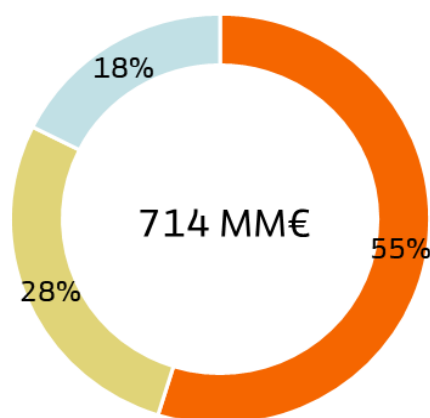
■ Renewable energy ■ Green buildings

Financing vs refinancing



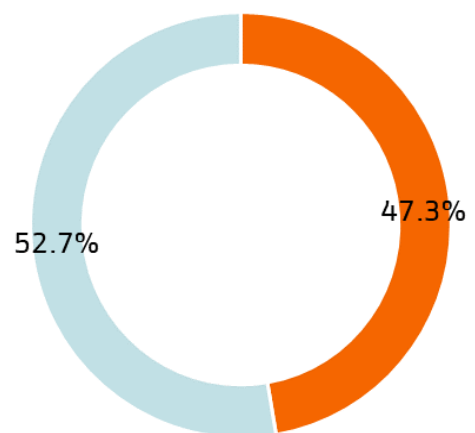
■ Financing ■ Refinancing

Renewable energy




■ Photovoltaic ■ Thermosolar ■ Eolic

Financing vs refinancing



■ Financing ■ Refinancing

4. Environmental impact of the Green Bond

	Use of proceeds (in million euros)	Impact Indicators				SDG	
		Impact in tonnes of CO2 eq avoided	Energy generation (MWh/year)	Installed capacity (MWp)	Reduction in energy use (MWh/year)		
Renewable Energy	714	201,756	1,231,372	706	-		
Project Financing	<i>Photovoltaic</i>	391	111,231	682,124	454	-	
	<i>Eolic</i>	126	80,544	482,869	189	-	
	<i>Thermosolar</i>	197	9,981	66,379	63	-	
Green and Efficient Building	36	84	-	-	513		
TOTAL	750	201,840	1,231,372	706	513		

The methodology used by Bankinter for the environmental impact calculations was developed by an independent advisor (Ecodes) guaranteeing impartiality and the use of objective, rigorous and comparable sources.

Specifically, this methodology is based on the creation of equivalent and comparable scenarios adhering to the fundamentals set out in the ISO 14062 standard and expressly in part 2: "Greenhouse Gases. Specification with guidance at the project level for quantification, monitoring, and reporting of greenhouse gas emission reductions or removal enhancements."

In the case of renewable energy projects, CO2 emissions avoided have been calculated by multiplying the renewable electricity supplied to local power grids by the CO2 emissions factor for the national energy mix, representing the business as usual (BAU) scenario. In the specific case of solar thermal power plants that include the use of limited quantities of natural gas in the energy production process, the CO2 emissions generated by this non-renewable source have been deducted from the total net green energy generation and then compared to the BAU scenario in order to estimate the net CO2 emissions avoided.

For the green buildings, Bankinter compares non-renewable energy consumption of the financed buildings with the existing limit of the A certified buildings in Spain. As in the previous case, CO2 emissions avoided have been calculated by multiplying this non-renewable energy consumption by the CO2 emissions factor for the national energy mix.

5. Samples of projects financed under Bankinter 's first green bond

Bankinter provided a mortgage for the acquisition of a newly built residential housing project "Premier España", located in Madrid. The housing project covers over 8,171 sqm in one unit with 85 houses and parking areas. The construction is based on the Spanish EPC "A2013" It is expected to have energy savings in the period of 39.31 MWh.



Bankinter provided a project finance to Ignis-Toscano Solar to build and operate a solar photovoltaic plant with a total installed capacity of 52.5 MWp located in Zamora, which have generated 39 GWh in 2022, avoiding 6,369 tonnes of CO₂.





Bankinter provided corporate financing to Greenalia Wind Power Eolo. The Project consists of 5 wind farms located in La Coruña and Lugo, with an installed power generation capacity of 74.23 MW. Bankinter participated with a 15.76% take of the whole operation.

Greenalia portfolio generated 34.625 GWh of renewable energy in 2022 with avoided emissions of 5,643 tonnes of CO₂.

6. Independent assurance report



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INDEPENDENT ASSURANCE REPORT ON THE NON-FINANCIAL INDICATORS INCLUDED IN THE 2022 GREEN BOND REPORT OF BANKINTER, S.A.

To the Management of Bankinter, S.A.,

We have been engaged by Bankinter, S.A (hereinafter, 'Bankinter' or 'the Company') to perform a limited assurance engagement in relation to the non-financial indicators included in the Green Bond Report for the year ended at 31 December 2022, in regards with the green bond issued by Bankinter to progress in relation with Sustainable Development Goals number 7 (Affordable and clean Energy) and prepared in accordance with the criteria described in the Green Bond Framework (hereinafter "Green Bond Framework") defined by Bankinter in July 2021 in accordance with the Sustainable Development Goals. These indicators have been selected from those proposed by Bankinter according to the Second-party opinion letters issued by Sustainalytics in 7 July 2021 available in its website:

https://www.bankinter.com/file_source2/webcorporativa/responsabilidad_corporativa/bankinter_green_bond_framework/bankinter_green_bond_framework.pdf with the green bond issued in order to comply with the Green Bond Principles (GBP).

Our work was limited solely to verification of the content of the Report above mentioned, in which Bankinter has included selected non-financial indicators to comply with the current and projected progress of the environmental performance at its energy projects and green and efficient building projects selected. Our responsibility is limited to the verification of these indicators, not verifying their adequacy for the purpose of the issuance.

Responsibilities of Bankinter Management

The preparation and contents of the Green Bond Report are the responsibility of the Manager of the Treasury Area in accordance with the criteria defined by Bankinter in the Green Bond Framework. Bankinter is also responsible for the selection and presentation of the non-financial indicators of the Green Bond Report from those proposed by the Second-party opinion letters associated with the green bond issued.

This responsibility includes defining, adapting, and maintaining the management and internal control required to ensure that the non-financial indicators included in the Green Bond Report are free from any material misstatement due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control Management, which requires the firm to design, implement and operate a system of quality management including policies and or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited security verification report based on the work performed. We have carried out our work in accordance with the requirements set forth in the current Revised International Standard on Assurance Engagements 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISEA 3000 Revised)) issued by the Board of International Auditing and Assurance Standards (IAASB) of the International Federation of Accountants (IFAC).

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance provided is also substantially lower.

Our work consisted in requesting information from Management and the various units of Bankinter that participated in the preparation of the Green Bond Report and carrying out the following analytical procedures and sample-based review tests:

- Understanding of the process used to compile the data presented in the Green Bond Report through meetings with relevant management and personnel involved in providing information for the Green Bond Report.
- Review that the assets included in chapter 3 "Portfolio of eligible loans" are consistent with the eligibility criteria defined by Bankinter in the Green Bond Framework.
- Review of the quantitative data included in chapter 4 "Environmental impact of the Green Bond" of the Green Bond Report regarding the reliability of the information, by using analytical procedures and review and recalculation testing based on sampling from the total amount of assets included in the portfolio of eligible loans. We also verified that this information has been appropriately compiled from the data provided by corporate information sources of Bankinter.
- Obtention of a representation letter from the Management of Bankinter.

Conclusion


Based on the procedures performed and the evidence obtained, no matter has come to our attention that causes us to believe that:

- The assets included in chapter 3 "Portfolio of eligible loans" does not meet the eligibility criteria defined by Bankinter in the Green Bond Framework.
- The Impact Indicators included in the Green Bond Report of Bankinter, for the year ended 31 December 2022, have not been prepared, in all significant aspects, in accordance with the criteria described in the Green Bond Framework defined by Bankinter.

Use and Distribution

The Report is prepared by Client in order to satisfy the requirements of the Green Bond Report. As a result, the Report may not be suitable for another purpose. Accordingly, this independent assurance report may be published together with the Report and may not be distributed or furnished to third parties separately or used for any other purpose without the express consent in writing of Deloitte S.L.

DELOITTE, S.L.



Ignacio Gutiérrez
February 24th, 2023