

**2025–2027 STRATEGIC PLAN**

## **CaixaBank sets business growth and transformation as the pillars of its new Strategic Plan**

- **The Group aims to ensure high levels of sustainable profitability above 15% (ROTE)**, to boost the growth of loans to companies and households, which is expected to grow by 4% CAGR over the next three years.
- Maintaining this profitability will enable CaixaBank to **continue remunerating its 558,000 shareholders adequately**, including the FROB and 'la Caixa' Foundation, which will then be able to continue its essential Social Work.
- **In order for the new Strategic Plan to deliver growth**, CaixaBank is looking to attract and engage customers with improved value propositions. It is also looking to boost digital sales by launching new products and services while offering outstanding customer service.
- **CaixaBank's CEO, Gonzalo Gortázar**, highlighted that "in the next three years, we want to take advantage of a more favourable economic environment to take a leap forward in our service quality, in our technological capabilities and in the development of our workforce's talent. All of this will result in greater growth of the economy and adequate remuneration for our shareholders".
- **By accelerating its transformation**, the Group aims to support the growth of the business so that more than €5 billion can be invested in technology over the coming three years. Commercial and service capabilities will be enhanced through generative artificial intelligence, and channels and infrastructure will be upgraded to ensure the Group's resilience moving forward.
- **The Group's plan is to recruit 3,000 young people over the period 2025-2027, most of them with technical skills**. To undertake this transformation, it is important to attract and retain the best talent, foster a culture of proximity, agility and collaboration, and combine the virtues of experience and youth.
- **CaixaBank has set itself a new sustainable finance mobilisation target of more than €100 billion**. Financial and social inclusion and commitment to society will also be strengthened, mirroring the bank's founding values.
- **Positive impact of the 2022–2024 Strategic Plan**. The Group has now completed the integration with Bankia and met the main financial and qualitative challenges set, achieved a leading position across all segments, and consolidated an efficient distribution model tailored to its customers' needs.

**Madrid, 19 November 2024** – CaixaBank has unveiled its new 2025–2027 Strategic Plan in a bid to ensure sustainable levels of profitability above 15% (ROTE) to boost the growth of loans to companies and households, which is expected to grow by 4% CAGR over the next three years. Maintaining this profitability will enable CaixaBank to continue remunerating its 558,000 shareholders adequately, including the FROB and 'la Caixa' Foundation, which will then be able to continue its essential Social Work.

To succeed in this task, the Group is pursuing three strategic priorities: accelerating business growth, drive business transformation and investment, and consolidate the company's position as a benchmark in sustainability.

The Group will be venturing into a new phase after successfully wrapping up its 2022–2024 Strategic Plan. The new plan will take shape amid the ongoing economic recovery, despite uncertainty over the various ongoing geopolitical conflicts and with higher than expected interest rates, coupled with rising levels of inflation.

CaixaBank successfully completed the various stages of integration with Bankia at the start of the plan and has met the financial and qualitative targets set for the 2022–2024 period. The profitability, cost-to-income, NPL and certain other targets have been met, as well as growth in market share in the main businesses and the promotion of social and financial inclusion. Meanwhile, international business has grown more than projected during the period and the mobilisation of sustainable finance has comfortably exceeded the €64 billion target.

The bank's shareholder return has also far exceeded the initial target of €9 billion (around €9.5 billion have already been assigned), with a further commitment to reach €12 billion under the framework of the 2022–2024 Strategic Plan.

The Group is looking ahead to the next three years with optimism and finds itself in its best position of the past 10 years with commercial strength, a strong balance sheet, enhanced digitalisation and innovation capabilities, and reasonable profitability.

In the words of the bank's CEO, **Gonzalo Gortázar**, "in the next three years, we want to take advantage of a more favourable economic environment to take a leap forward in our service quality, in our technological capabilities and in the development of our workforce's talent. All of this will result in greater growth of the economy and adequate remuneration for our shareholders."

### Key financial indicators

With the new 2025–2027 Strategic Plan, amid favourable conditions enabling CaixaBank to leverage numerous growth opportunities, the Group aims to keep net interest income stable by the end of the period, despite a likely environment of lower interest rates. In addition, service revenues are expected to grow moderately (in the mid-single digit range), and costs are likely to increase by around 4% (CAGR – compound annual growth rate).

The Group has shown formidable financial strength over the past three years, and this is set to continue, with the aim of achieving a ROTE of over 16% by the end of 2027 and of more than 15% on average over the 2025–2027 horizon. Meanwhile, the cost-to-income ratio should be slightly above 40% and the NPL ratio is expected to fall to around 2%.

CaixaBank will also continue to generate capital organically and liquidity will remain high, comfortably exceeding the minimum regulatory requirements.

With regard to the shareholder return policy, the new Strategic Plan includes a commitment to pay out between 50% and 60% of consolidated net profit in dividends, with an interim dividend payable each year, plus any excess CET1 capital that exceeds 12.5%.

### **Further growth: consolidating its leading position**

Amid an ongoing process of deleveraging within the private sector, and with savings at an all-time high across the country, the bank is very well placed to capitalise on these components, with the outlook for the Iberian economies looking bright. In its Strategic Plan, CaixaBank aims to grow its business volume by more than 4% (CAGR) over the coming three years —after achieving around 2% in the three-year period just ended— by seizing the opportunities and strengths it has across all customer segments in both Spain and Portugal.

The new plan deploys a growth strategy based on customer acquisition, loyalty and engagement. The aim is to consolidate the trend of increasing the number of banking customers in which *imagin* — CaixaBank’s digital platform offering financial and non-financial services for young people— will continue to play a key role in increasing the current customer base. The Group plans to promote new products and services while offering outstanding customer service.

### **Improving the value proposition, developing new platforms and international business**

As part of the new plan, CaixaBank wants to implement an improved value proposition for both businesses and retail customers by expanding the various ecosystems already in place in the home, mobility and senior segments.

Along these lines, the bank’s strengths will allow it to return to the path of growth in the mortgage portfolio (CAGR >2%) as it continues to lead the market. In terms of asset management, the aim is to surpass a CAGR of 6% over the next three years, following the implementation of new digital tools and services for customers.

When it comes to senior citizens —a priority segment for CaixaBank— the bank plans to evolve its ecosystem with financial solutions linked to dependency, healthy ageing, and an increase in life expectancy, which will be accompanied by specific care initiatives for this segment. Additionally, employees will receive further training targeted for these specific needs.

CaixaBank will also promote the online platform Facilita, conceived as a virtual showcase of products offered by partners of the financial group, through a curated catalogue of exclusive or high-end models, all of which can be accessed thanks to CaixaBank financing.

Facilitea's proposition will be expanded in the near future to include products, services and solutions that cover mobility needs and other concerns that people face throughout their life.

The bank will also focus on improving the experience and value proposition for business customers, with new bespoke solutions for the SME and corporate banking segments. The Group will lean on its CIB division to increase customer loyalty and cement CaixaBank's status as a benchmark in international markets, by growing the business in branches abroad and boosting organic growth in Portugal through its subsidiary BPI.

More precisely, the Portuguese bank BPI (wholly owned by CaixaBank) will be at the heart of its strategy: customer acquisition, a drive towards digitalisation and artificial intelligence tools, and progress towards sustainability. As for its strategic priorities, it is seeking to consolidate its already strong position in mortgage loans and lending to businesses. BPI is expected to increase customer funds and loans by close to 4% CAGR, mirroring CaixaBank's own aspirations. Joint projects with Group subsidiaries will also be stepped up.

### **Transforming the Group amid a more digital and competitive environment**

CaixaBank aims to accelerate its transformation to be ready and able to succeed in a more digital and competitive environment, supported by a stronger technological platform. Notably, commercial and service capabilities will be enhanced through generative artificial intelligence, and channels and infrastructure will be upgraded to ensure the Group's resilience moving forward. To support these strategic initiatives, the Group plans to invest upwards of €5 billion in technology over the coming three years.

Over the course of the Strategic Plan, CaixaBank aims to consolidate its customer service model, asserting itself through Spain's largest physical branch network, already optimised and highly specialised, with leading digital and remote channels. The human factor will remain CaixaBank's main differentiating factor. In the post-COVID era, human interaction has become more valuable, especially when dealing with complex issues and even among highly digital or young customers.

In this context, the number of specialised managers will be expanded to serve more customers, both remotely and in-branch.

The plan also aims to modernise and redesign digital channels to improve customer experience, drive digital sales and build new capabilities. This change is already under way, with the bank's app being redesigned and updated to make it faster, simpler, and more effective while capturing new customer traffic.

*Imagin* will remain a priority to further engage and interact with customers. With over 3.5 million customers, it is already well positioned and highly capable of continuing to lead in innovation and value creation.

To undertake this transformation, it is important to attract and retain the best talent, foster a culture of proximity, agility and collaboration, and combine the virtues of experience and youth. The Group's plan is to recruit 3,000 young people —most of them with technical profiles— over the 2025-2027 horizon.

### **Mobilising €100 billion in sustainable finance**

As part of its commitment to sustainability, CaixaBank has set itself a new challenge to mobilise more than €100 billion in sustainable finance between 2025 and 2027.

The bank will seek to capture opportunities in relation to energy efficiency and clean mobility among retail customers. The main pillars are: Having a digital ecosystem with an integrated platform of services linked to efficient homes; ensuring a wide range of green products; providing an energy renovation advisory service; and last but not least, promoting alliances with electric car makers.

### **Moving towards a more sustainable economy: commitment to society**

CaixaBank understands that driving its growth and advancing its transformation must go hand in hand with sustainability. To achieve a more sustainable economy, action will be taken to help achieve the bank's objectives and foster economic and social development as part of a sound ESG governance framework.

Aside from championing the decarbonisation of the business community, CaixaBank will support multiple social impact and advisory initiatives known to make a positive difference and that strengthen its commitment to the energy transition of families and businesses.

The Group's challenge is to aggregate these initiatives to make the impact on society more tangible. The aim is to focus on the areas where the bank can achieve the greatest impact through its range of products, such as MicroBank (CaixaBank's social bank), volunteering activities or the Dualiza Foundation to encourage Dual Vocational Training. Social and financial inclusion, employability, and responses to increasing life expectancy all have a role to play in achieving these goals. These initiatives are expected to create around 150,000 new jobs over the coming years.

The new plan continues to target financial inclusion and universal access to banking services, both of which are part of CaixaBank's DNA. The bank has also pledged not to abandon any towns or villages where it is currently present. Notably, the bank has a presence in 3,244 municipalities throughout all of Spain, through either permanent physical branches, ATMs or mobile branches, having added 237 new such facilities in the last 12 months.