

Consolidated Non-Financial  
Information Statement

**2020**





BOLSAS Y MERCADOS ESPAÑOLES, SOCIEDAD HOLDING DE MERCADOS Y SISTEMAS FINANCIEROS, S.A.-SOCIEDAD UNIPERSONAL- AND SUBSIDIARIES FORMING THE BOLSAS Y MERCADOS ESPAÑOLES GROUP [\(102-1\)](#)

## CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT [2020](#)

# Independent Expert Report





**Bolsas y Mercados Españoles Sociedad  
Holding de Mercados y Sistemas Financieros, S.A –  
Sociedad Unipersonal and subsidiaries comprising  
the Bolsas y Mercados Españoles Group**

Independent Verification Report  
Non-financial information statement  
31 December 2020



*This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

## Independent verification report

To the sole shareholder of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. – Sociedad Unipersonal:

Pursuant to Article 49 of the Code of Commerce, we have verified, under a limited assurance scope, the accompanying Non-financial information statement ("NFIS") for the year ended 31 December 2020 of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. – Sociedad Unipersonal (the Parent Company) and subsidiaries comprising the Bolsas y Mercados Españoles Group (hereinafter "the Group") which forms part of the Group's consolidated management report.

The content of the consolidated management report includes additional information to that required by the current mercantile legislation related to non-financial information reporting which has not been covered by our verification work. In this respect, our work has been restricted solely to verifying the information identified in the table: "Index of Non-financial information contents" included in the accompanying consolidated management report.

### Responsibility of the Board of Directors of the Parent Company

The preparation of the NFIS included in Group's consolidated management report and the content thereof are the responsibility of the Board of Directors of the Parent company. The NFIS has been drawn up in accordance with the provisions of current mercantile legislation and with the Sustainability Reporting Standards of the Global Reporting Initiative ("GRI Standards") described in accordance with the Essential Option, in line with the details provided for each matter in table: "Index of non-financial information contents" included in the consolidated management report.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to allow the NFIS to be free of any immaterial misstatement due to fraud or error.

The directors of the Parent company are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS is obtained.

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#### Our independence and quality control

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

Our firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore has in place a global quality control system, which includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team has been formed by professionals specialising in non-financial information reviews and specifically in information on economic, social and environmental performance.

#### Our responsibility

Our responsibility is to express our conclusions in an independent limited verification report based on the work carried out. Our work has been carried out in accordance with the requirements laid down in the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for verification engagements on non-financial statements issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in terms of their nature and timing of execution, and are less extensive than those carried out in a reasonable assurance engagement. Accordingly, the assurance obtained is substantially lower.

Our work has consisted of posing questions to Management and several Group's units that were involved in the preparation of the NFIS, in the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and review sampling tests, as described below:

- Meetings with Parent company's personnel to ascertain the business model, policies and management approaches applied, the main risks related to these matters and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the contents included in the NFIS for 2020, based on the materiality analysis carried by the Group and described in section "Materiality of the report" of the consolidated management report, considering the content required under current mercantile legislation.
- Analysis of the procedures used to compile and validate the information presented in NFIS for 2020.
- Review of information concerning risks, policies and management approaches applied in relation to material issues presented in the NFIS for 2020.
- Verification, through sample testing, of the information relating to the content of the NFIS for 2020 and its adequate compilation using data supplied by the Group's sources of information.
- Obtainment of a management representation letter from the Directors and Management.



#### Conclusions

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that NFIS of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. – Sociedad Unipersonal and subsidiaries comprising the Bolsas y Mercados Españoles Group, for the year ended 31 December 2020 has not been prepared, in all its significant aspects, in accordance with the provisions of current mercantile legislation and the Sustainability Reporting Standards of the Global Reporting Initiative ("GRI Standards") following the Essential Option, in accordance with the details provided for each matter in table: "Index of non-financial information contents".

#### Use and distribution

This report has been drawn up in response to the requirement laid down in current Spanish mercantile legislation and therefore might not be suitable for other purposes or jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by  
Pablo Bascones Ilundain

4 March 2021

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## Letter from the Chairman.

It is a pleasure to present the company's consolidated non-financial information statement for 2020 to you as BME's new Chairman, in relation to a year in which this company has reaffirmed its commitment to sustainability.

In this Report, you will find the standouts of this year in relation to good governance, transparency, commitment to the environment and promotion of the financial culture, in addition to other aspects. You will also find details on actions taken by BME, which has formed part of the SIX Group since June 2020, with other stakeholders, including its employees. It promotes a diverse and respectful work environment, in which it guarantees equal opportunities regardless of gender, race, religion, age, sexual orientation, nationality or level of ability.

As the manager of financial markets, BME plays a leading role in the development of sustainable finance. Sustainable issues by Spanish companies and institutions came to 15.0 billion euros in 2020, up by 54% year on year, based on data gathered by the Spanish Observatory of Sustainable Financing (OFISO), of which BME is a member.

The issuance of sustainable bonds is just one of the faces of this type of financing. Equity investors also have access to tools offered by BME to take ESG criteria into account as part of their decision-making, such as the FTSE4Good Ibex index, which brings together listed Spanish companies with the best performance in the area of corporate social responsibility.

Due to its position as a manager of the markets, BME is well aware of the growing commitment of investors and companies to sustainability. Far from being a fad, we are facing a shift in paradigm as part of which the company will continue to play a leading role because, as you will see in this consolidated non-financial information statement, sustainability is part of its social function and identity.

Thank you very much,

*Jos Dijsselhof.*



Jos Dijsselhof. BME Chairman

## Letter from the Chief Executive Officer. (102-14)

I am delighted to share a few reflections on sustainability with you; this has undoubtedly been one of the most hotly contested topics in the world of business and financial markets in recent years. Since its inception, BME has been clear that sustainability and a commitment to society are different sides of the same coin for financial markets. They go hand in hand, as markets are at the core of sustainable finance.

As you know, since 2007 BME has provided its stakeholders with an annual Corporate Social Responsibility Report, termed consolidated non-financial information statement since 2018, due to a change in regulations. This report, based on the *Global Reporting Initiative* (GRI) <sup>(\*)</sup> and Law 11/2018 of 28 December, aims to present the impact that the activities of BME Group and its companies have on sustainability.

The contents of this Report have been prepared following a Materiality Analysis, based on which the economic performance, transparency and operating integrity and ethics and integrity are the factors that have the biggest impact on the company's ability to go about its activities.

BME has a dual commitment to sustainability. On the one hand, as a company it is determined to minimise its impact on the environment, educate its employees and create a respectful and diverse work environment. On the other, as a manager of financial markets, its DNA carries the social function of financing companies and, therefore, the economy as a whole.

The national and international initiatives through which BME's actions in this field are reflected include the Code of Best Tax Practices, which the company adhered to in 2010; the United Nations Global Compact, since 2011, and the United Nations Sustainable Stock Exchanges, since 2015.



Javier Hernani. BME CEO

This consolidated non-financial information statement is an exercise in transparency that forms part of BME's conviction with a view to moving towards a more sustainable economy and society, something that benefits us all. In line with this transparency and with the company's commitment to promoting the debate on sustainability in mind, in 2020 a dedicated section was created on our corporate website ([www.bolsasymercados.es](http://www.bolsasymercados.es)) in relation to this matter. The company has continued to promote events and conferences under this banner, such as the Green Bond Day, organised in cooperation with OFISO, with others including specific discussions with a sustainability approach, such as the Medcap Forum and the Latibex Forum, reference events for investors.

At BME, we are well aware that a key aspect of sustainability is the need to expand and strengthen financial culture. This is the main reason behind Instituto BME, which organises courses for different audiences with a view to expanding the financial culture of citizens as part of its training programme. As part of this commitment, Instituto BME subscribes to the recommendations and best practices for Financial Awareness and Education of the Organisation for Economic Cooperation and Development (OECD) and promotes events to spread financial knowledge, such as "Connect with the Stock Market", a group of webinars organised to commemorate Financial Education Day, which was held in virtual format this year on account of the Covid-19 pandemic.

Covid-19 has had a major impact on all aspects in 2020. To preserve the safety of our professionals, 93% of BME employees have provided their services remotely. This has made it possible to combine everybody's protection and safety with guaranteeing business continuity; we were able to continue operating as normal at all times, even at the times of greatest uncertainty during lockdown. At the onset of the pandemic, financial markets once again demonstrated the importance of their work, providing transparency, liquidity and security in transactions.

Another new development in 2020 was the approval of BME's disconnection from work policy that regulates the right of workers to digitally disconnect in the workplace, in line with Article 88 of Organic Law 3/2018, of 5 December on the protection of personal data and guarantee of digital rights and in line with the best practices in relation to the digital transformation of work.

On the other hand, in 2020, 82 courses were taught as part of the Continuous Professional Training Plan for BME employees.

The consolidated non-financial information statement addresses many other relevant areas. I only intend on mentioning one more: suppliers, a major stakeholder for BME. In total, 90.97% of the group's suppliers are local. At BME, we prioritise sustainable management in our supply chain, ensuring respect at all times for the environment and for society.

Finally, after SIX became the sole shareholder in BME during the third quarter of the year, the materiality matrices of both companies in force on the date of approval of this report show that the most relevant issues coincide (as ethics and integrity, regulatory compliance, economic performance, cybersecurity), in such a way that the high degree of alignment of BME's materiality with SIX's materiality can be verified, since BME's materiality matrix not only includes practically all of the aspects reflected in the SIX matrix, but the level of relevance of the highest priority issues is similar.

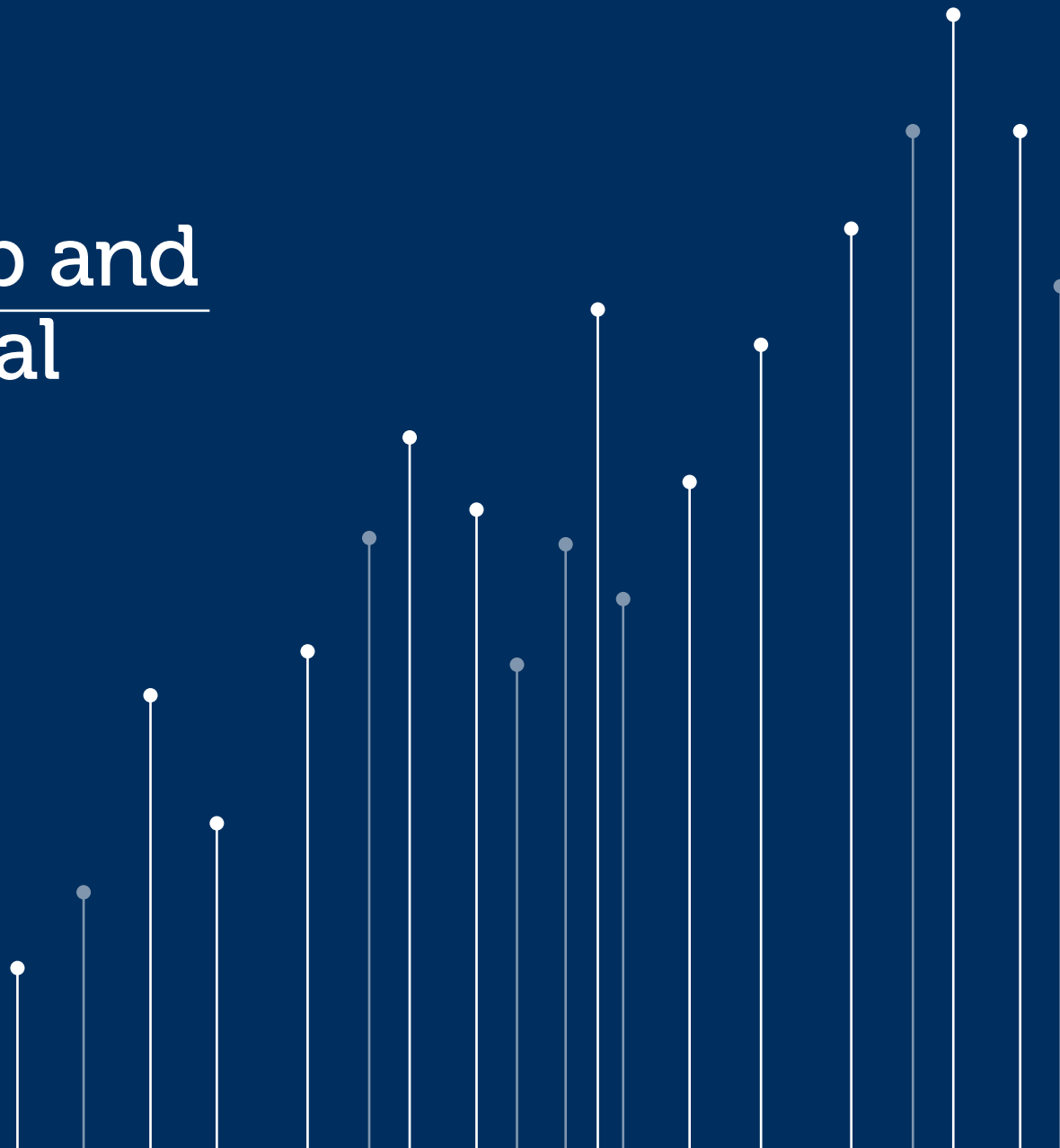
Yours sincerely,

*Javier Hernani.*

*(\*) Global Reporting Initiative (GRI) is a non-governmental organisation whose purpose is to promote sustainability reports to improve their quality, rigour and usefulness through the implementation of the triple bottom-line approach: environmental, social and economic. To such effect, the GRI publishes a methodology for the preparation of sustainability reports, which it frequently revises, the current version of which is implemented through the GRI Standards.*

# 1. The BME Group and Corporate Social Responsibility

(102-5, 102-54)



Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. -Sociedad Unipersonal- (BME or the Company), operator of the securities markets and financial systems in Spain, is a benchmark in the sector in terms of solvency, efficiency and profitability. The Company is a public limited company, listed on the four Spanish Stock Exchanges since it was admitted to trading on 14 July 2006 until its removal on 29 September 2020 as a result of the takeover bid made by SIX Group AG (SIX Group), and also forms part of the *FTSE4Good IBEX®* since its creation until 15 September 2020 as a consequence of the delisting.

Since 2018, the Company has provided its shareholders with the consolidated non-financial information statement for the purposes of issuing the financial statements, and included as an Appendix to the consolidated management report.

The preparation of this consolidated non-financial information report, which sets out the activities carried out by BME and its subsidiaries throughout the financial year and their impact in matters of sustainability, demonstrates the high regard that the Company has for its environment. The report discloses all relevant information on financial and non-financial issues affecting its activities, using one of the internationally accepted methodologies for this purpose, the *Global Reporting Initiative* (GRI).

At its meeting held on 27 February 2020, the Board of Directors, within the scope of its powers, approved this Non-Financial Information Statement for 2019, which was prepared in accordance with the content established for the preparation of the Sustainability Reports by the *GRI Standards* and Law 11/2018 of 28 December, amending the Code of Commerce, the revised text of the Corporate Enterprises Act and the Law on the Auditing of Accounts regarding non-financial information and diversity. The consolidated non-financial information statement (Corporate Social Responsibility Report) for 2019 was included as an appendix to the consolidated management report for 2019 and was verified by the independent auditor *PricewaterhouseCoopers Auditores, S.L.*

At its meeting held on 26 February 2021, the Board of Directors approved this consolidated

non-financial information statement corresponding to the year 2020, which has been prepared in accordance with the core option set out in the aforementioned GRI Standards methodology for the preparation of Sustainability Reports and the Law 11/2018 of 28 December. The Consolidated Non-Financial Information Statement for 2020, included as an appendix to the Consolidated Management Report for 2020 and verified by the independent auditor *PricewaterhouseCoopers Auditores, S.L.*

### Scope of the consolidated non-financial information statement for 2020.

The consolidated non-financial information statement for 2020 include the details of BME Group companies whose financial statements are consolidated under the full consolidation method; therefore, the financial details of REGIS-TR, Société Anonyme and REGIS-TR UK Ltd and LATAM Exchanges Data México S.A de C.V have not been included. They have been consolidated under the equity method, as they are 50% and 49%, respectively, owned by BME Group companies.

In turn, the employee details included in this consolidated non-financial information statement correspond to the workforce of the BME Group and, with a view to increasing transparency in the disclosure of non-financial and diversity information, to the employees of Open Finance, SLU, a company whose employment system is handled independently from the rest of the BME Group's employees. As a new feature of this report, the details of BME Latam SAS and LATAM Exchanges Data Inc employees have been included in the details on the BME Group workforce for 2020; for the purposes of comparison against 2019 data, the information on employees for 2019 included in the non-financial information statement for 2019 has had to be restated.



## Main key performance indicators of BME concerning Corporate Social Responsibility.

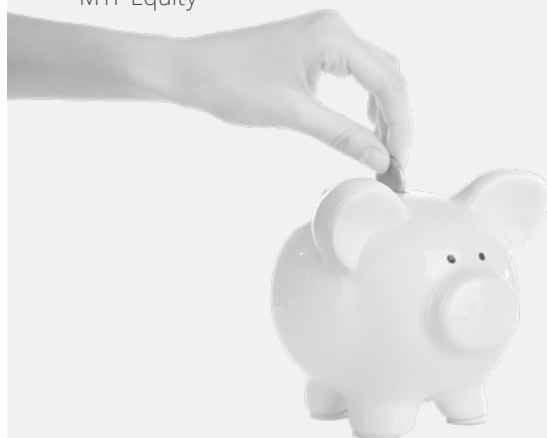
### ECONOMIC / OPERATIONAL



Economic value generated: **306,653** thousands of euros (**6.37%** vs 2019)

Remuneration paid to shareholders in the form of dividends since their admission to trading until delisting in aggregate terms: **25.40** euros gross per share

Financing of small cap companies through alternative markets: **9,364** million in fixed income in MARF and **428.3** million euros in shares in BME MTF Equity



### ENVIRONMENTAL



Internal energy consumption (consumption of electricity and natural gas): **33,132.20 GJ** (**-1.13%** vs 2019)

Indirect greenhouse gas emissions (associated with the consumption of electricity, business trips by air and rail and employees commuting to the workplace using their own vehicle): **2,022.69 t of CO<sub>2</sub>** (**-35.91%** vs 2019)

15 years providing the RENADE service via Iberclear that allows for the emission of greenhouse gases to be controlled: the sectors in question released **21% less** emissions in 2020 than in 2005



### SOCIAL



Economic value distributed to stakeholders: **306,558** thousands of euros (**7.03** vs 2019)

BME economic investments aimed at benefitting the community: **1,334** thousand euros: (**-4.27%** vs 2019)

New financing flows via the markets through capital increases came to **18 billion** euros (**+17.6%** vs 2019)





## Our stakeholders. (102-40, 102-42, 102-43)

In accordance with the relevant criteria for the Company and its activities, it has identified five stakeholder groups which are the users of its services, its shareholders, company employees, service providers and society in general.

### STAKEHOLDERS.

 <p><b>SUPPLIERS</b></p> <p><b>90.97%</b> of BME's suppliers are local.</p>	 <p><b>COMPANY</b></p> <p><b>16.1%</b> and <b>50.2%</b> of the value of listed shares are held by Spanish households and foreign investors, respectively.</p>	 <p><b>USERS</b></p> <p>Leading exchange in dividend yield <b>3.9%</b> for listed companies in 2020 (according to market classification prepared by MSCI).</p>	 <p><b>EMPLOYEES</b></p> <p><b>24.78</b> hours/employee. Ratio of training hours received per employee.</p>	 <p><b>SHAREHOLDERS</b></p> <p><b>93.16%</b> of BME shareholders approved the takeover bid launched by SIX Group during the voluntary acceptance period, which subsequently acquired a <b>6.84%</b> interest.</p>
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The needs and priorities of these stakeholders have been taken into account to establish BME's principles and guidelines of action (see the section on "Responsible management model").

With the aim of strengthening a constructive relationship with its stakeholders, BME maintains channels of communication that allow the Company to respond to their expectations. BME establishes the frequency in the relationship with its main stakeholders, depending on business needs.

Through the approval of this report, the Board of Directors addresses those relevant issues that have arisen in the relationships and communication of the Company with its stakeholders and the departments involved in its relationships with stakeholders. In particular, this consolidated non-financial information report has been prepared based on the materiality analysis previously performed in which the most relevant aspects for the Company and its stakeholders have been identified, covering, inter alia, economic, social and environmental issues.

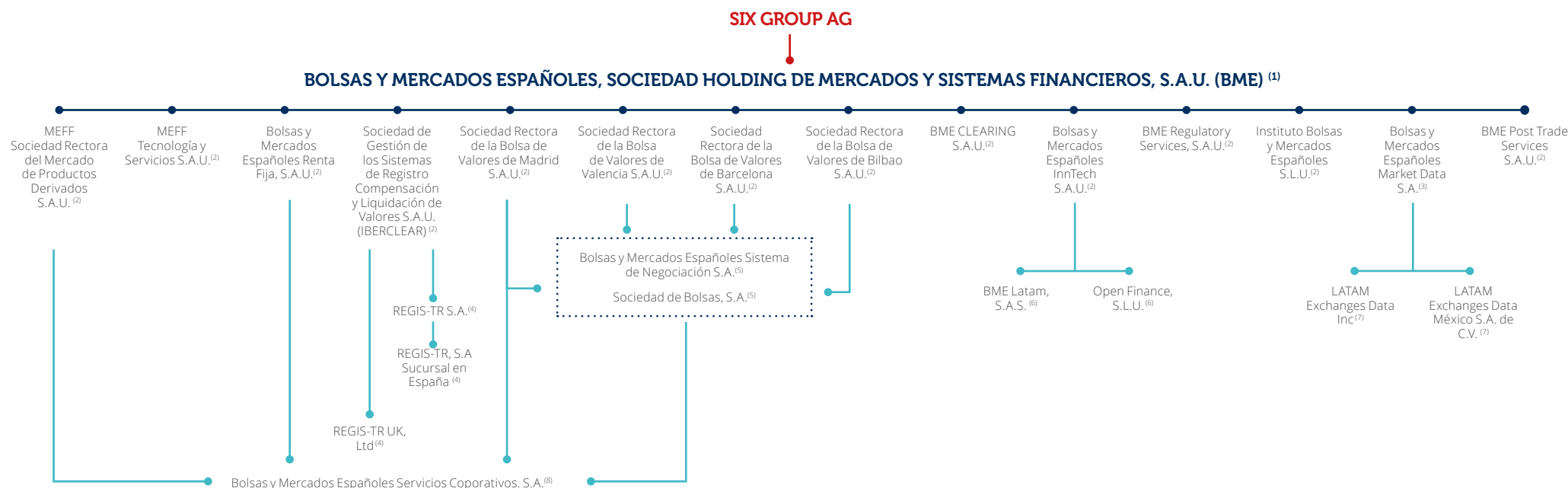
# 2. Company Profile

(102-2, 102-3, 102-4, 102-6, 102-45)

- 2.1. Business model.
- 2.2. Responsible management model.
- 2.3. Security, ethics and integrity.
- 2.4. Relationships with stakeholders and other relevant sectors.
- 2.5. Corporate governance and risk management.

## COMPANY ORGANISATIONAL CHART AND OTHER COMPANY OWNERSHIP INTERESTS AT 31 DECEMBER 2020.

The Bolsas y Mercados Españoles (BME) Group comprises the following entities:



(1) SIX GROUP AG holds a 100% stake in the share capital of BME.

(2) BME holds a 100% stake in the share capital of MEFF Sociedad Rectora del Mercado de Productos Derivados, S.A.U., MEFF Tecnología y Servicios, S.A.U., Bolsas y Mercados Espa oles Renta Fija, S.A.U., Iberclear, Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U., Sociedad Rectora de la Bolsa de Valores de Valencia, S.A.U., Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U., Sociedad Rectora de la Bolsa de Valores de Bilbao, S.A.U., BME Clearing, S.A.U., Bolsas y Mercados Espa oles InnTech, S.A.U., BME Regulatory Services, S.A.U., Instituto Bolsas y Mercados Espa oles, S.L.U. and BME Post Trade Services, S.A.U.

(3) BME, MEFF Sociedad Rectora del Mercado de Productos Derivados, S.A.U., Bolsas y Mercados Espa oles Renta Fija, S.A.U., Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U., Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U., Sociedad Rectora de la Bolsa de Valores de Bilbao, S.A.U., Sociedad Rectora de la Bolsa de Valores de Valencia, S.A.U. y Sociedad de Bolsas, S.A. respectively hold a participation of 49.71%, 7.77%, 0.14%, 10.09%, 9.93%, 9.93%, 9.93% and 2.5% of the share capital of the company Bolsas y Mercados Espa oles Market Data, SA

(4) Iberclear holds a 50% interest in the share capital of REGIS-TR UK Ltd and REGIS-TR Soci t  Anonyme, a company that created a branch in Spain.

(5) Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U., Sociedad Rectora de la Bolsa de Valores de Valencia, S.A.U., Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U. and Sociedad Rectora de la Bolsa de Valores de Bilbao, S.A.U. hold a 25% stake in the companies Bolsas y Mercados Espa oles Sistemas de Negociaci n, S.A. and Sociedad de Bolsas, S.A.

(6) Bolsas y Mercados Espa oles InnTech, S.A.U. holds a 100% stake in the share capital of BME Latam, S.A.S. and Open Finance S.L.U.

(7) Bolsas y Mercados Espa oles Market Data, S.A. holds a 51% and 49% interest in the share capital of LATAM Exchanges Data Inc. and LATAM Exchanges Data M xico S.A. de C.V., respectively.

(8) MEFF Sociedad Rectora del Mercado de Productos Derivados, S.A.U., Bolsas y Mercados Espa oles Renta Fija, S.A.U., Iberclear, Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U. and Sociedad de Bolsas, S.A. respectively, hold a participation of 11%, 9%, 21%, 48% and 11% of the company Bolsas y Mercados Espa oles Servicios Corporativos, S.A.

The social and operational headquarters of BME and of all Group companies (with the exception of REGIS-TR, S.A., REGIS-TR UK, Ltd, BME Latam S.A.S., LATAM Exchanges Data Inc -hereinafter LED- and LATAM Exchanges Data México S.A de C.V. - hereinafter LED Mexico-) are located in Spain, the country in which it mainly carries on its activity, with BME headquarters located in Madrid, at Plaza de la Lealtad 1, and with the main operational headquarters of the organisation being in Las Rozas (Madrid), on Calle Tramontana 2bis.

Since its constitution, BME has been involved in the development and modernisation of the Latin American financial markets, the energy market and the financial sector in general by maintaining the following interests as at 31 December 2020 (notwithstanding the 49% interest in the share capital of LATAM Exchanges Data México S.A. de C.V. held on that date by Bolsas y Mercados Españoles Market Data, S.A., as indicated in the company organisational chart above):

- **Cámara de Riesgo Central de Contraparte de Colombia, S.A.**, in which BME holds a stake of 7.80% in its share capital.
- **Bolsa Mexicana de Valores, S.A. de Capital Variable** with a 0.99% stake.
- **Operador del Mercado Ibérico de Energía – Polo Español, S.A. (OMEL)**, of which it indirectly owns through Bolsas y Mercados Españoles Inntech, S.A. -Sociedad Unipersonal- 5.65% of its share capital.
- **OMIP Operador do Mercado Ibérico (Portugal), SGPS, S.A.**, of which BME holds a 5% stake therein.
- **Noster Finance, S.L. (Finect)**, a financing company which offers investors, inter alia, a specialised community, interactive tools to improve decision-making and financial information based on smart data technology, in which BME holds a stake of 11.27%.

## Corporate transactions corresponding to 2020. (102-10)

Corporate transactions carried out during 2020 have not led to changes in BME's registered office or operating headquarters, although two companies have been dissolved and liquidated and two others incorporated.

## Scale of the organisation. (102-7)

The following table details the necessary figures to determine the size of the organisation at 31 December 2020: total workforce and capitalisation.

### SIZE OF THE ORGANISATION.

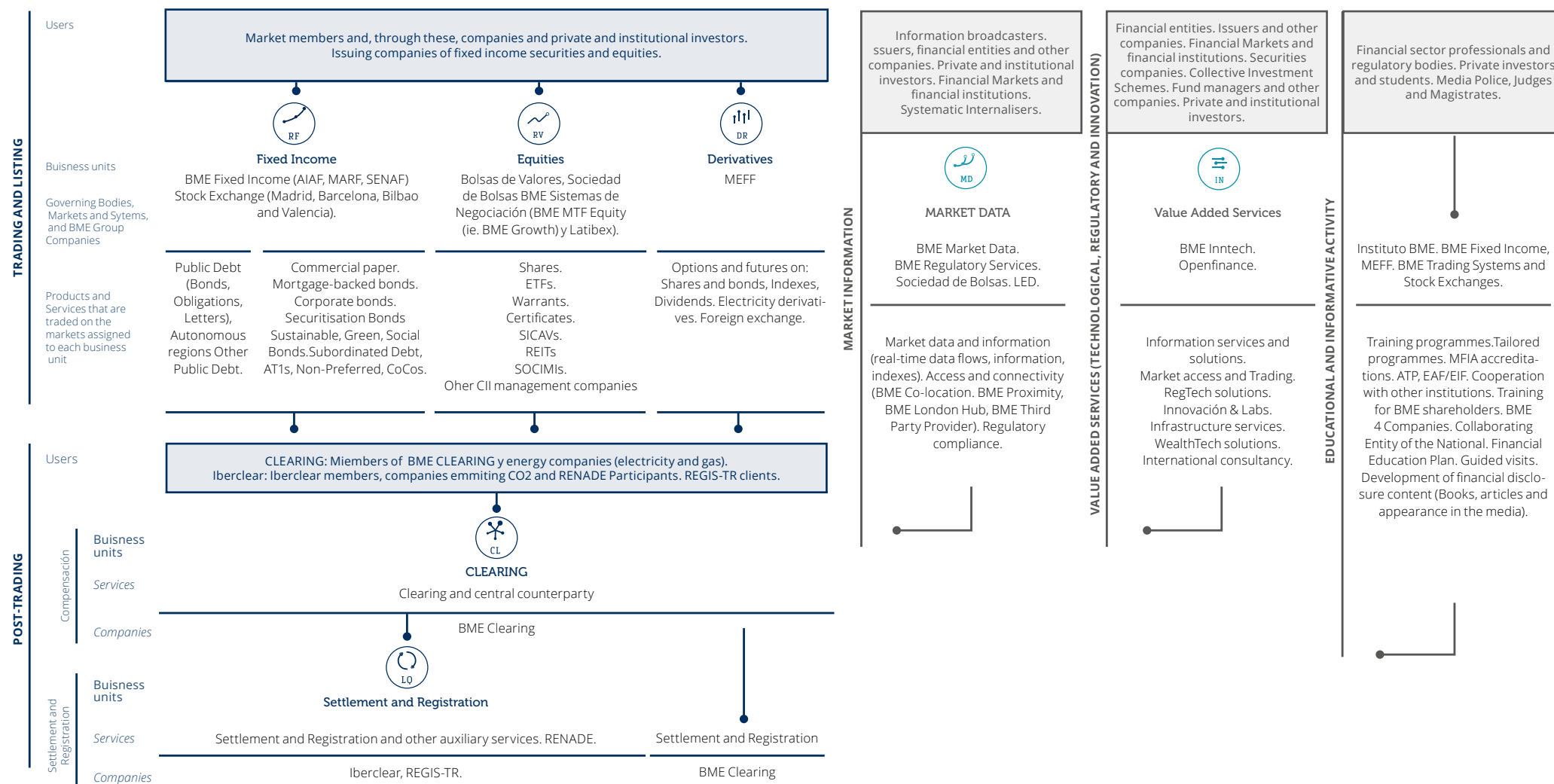
	2019	2020
Total workforce of BME Group and Open Finance SLU	800	798
Own equity (thousand euros)	382,844	391,556

## 2.1. BUSINESS MODEL.

(102-2)

The following table contains a schematic representation of BME's value chain during 2020, which identifies the users of the main products and services provided by each one of the business units through the governing bodies and companies of BME Group. The educational and informative activity strengthens the aforementioned value chain and contributes to end-users and clients having the necessary and sufficient knowledge to allow them to obtain their objectives with greater assurance, transparency and security.

## BUSINESS MODEL.



## MISSION, VISION, VALUES AND OTHER KEY ELEMENTS OF THE BME BUSINESS MODEL.

(102-15, 102-29, 102-30)



### MISSION AND OBJECTIVES.

The mission of BME is to be the leading company for financial markets and systems in Spain, always striving to achieve service excellence and constantly innovate in markets and services. We also aim to create value for society and our shareholders.

The main objective of BME is to place the client at the heart of all corporate decisions and maximise the relationship with them in a manner so that excellence and the provision of the best service continue to be distinguishing features and BME's most recognisable hallmark.

BME also drives the significant increase in its revenue through:

- organic and inorganic growth,
- increased geographic diversification and services,
- the strengthening BME's solid business model by adapting it to the new environment, and
- customer equity.



### DISTINGUISHING VALUES.

BME is a leader in the sector in terms of solvency, efficiency and shareholder returns. BME is a company recognised for its impartiality, transparency and protection, it is a dynamic and modern company committed to customer service, innovation and development, using technology developed in-house that has been exported to other several countries.



### NECESSARY RESOURCES.

The necessary resources so that BME can carry out the activities detailed in the value chain centred on the workforce, the constant development of knowledge and in-house technology and the strengthening of the relationship with suppliers and users.



### VALUE GENERATED BY BME FOR ITS STAKEHOLDERS.

- This is a source of financing and liquidity for companies, promoting the confidence of society in the financial system guaranteeing the proper functioning on the markets and undertaking the commitment to being a prominent leader of the economy of Spanish companies, as well as for Latin American companies through Latibex.
- It offers its users a wide range of products, services and trading systems based on an advanced and stable proprietary technology which adapts to its requirements. BME also provides global market access systems to issuers, intermediaries and investors around the world, with clients in Europe, America and Africa.
- It also encourages the professional and personal development of its employees through the constant improvement of the services and activities that it provides them, its training programmes and professional motivation.
- It focuses its activity on the generation of shareholder value and is trusted by millions of investors who benefit from one of the highest pay-outs on the Spanish stock market, exceeding more than 90%.
- It generates business between its local suppliers.



## POLICIES APPLIED BY THE GROUP AND ASSOCIATED RISKS.

The policies that BME Group applies, with the exception of Open Finance SLU, in relation to the activities it carries out are, inter alia, the Corporate Governance Policy, the Directors' Remuneration Policy, the Corporate Social Responsibility Policy, the Risk Management Policy, the Communication Policy, the Disconnection from Work Policy, the principles of conduct of the Human Resources area, the Remuneration Policy of the BME Group and the Security Policy, as well as the measures adopted in relation to the foregoing. The above policies and their results are described in the consolidated non-financial information statement.

As part of its risk management system and the Criminal Risk Prevention System, BME has identified, assessed and handled the risks related to factors including but not limited to environmental performance (given the possibility of damage being caused to the environment by the Company's activity), social performance (resulting, for example, from political or social instability) and labour performance (associated with inadequate processes for measuring and assessing employee performance), in addition to other areas such as the fight against corruption and bribery (due to the possibility of non-compliance with ethical rules and standards), fraud (due to the risk of a crime being committed in the workplace) and other irregular practices. None of these form part of the main risks associated with the company's activity. Nonetheless, the company has established control mechanisms to prevent their materialisation; none of these risks materialised in 2020.



## KEY INDICATORS OF NON-FINANCIAL RESULTS.

View the main key performance indicators of BME concerning Corporate Social Responsibility detailed in Chapter 1.

# BME Y LA SOSTENIBILIDAD



BME y las Finanzas Sostenibles



BME y las Personas



BME y el Medio Ambiente

New Sustainability section on BME's website.

## 2.2. RESPONSIBLE MANAGEMENT MODEL.

(102-16)

Since its incorporation, BME has been committed to playing a key role in the economies of Spanish and Latin American companies through the Latibex market. In this manner, as the manager of Spain's financial markets and systems, BME is the nexus between Spanish and international companies and investors. It provides a channel through which savings can be used to finance companies, while endeavouring to offer maximum speed, reliability, transparency, efficiency and security to the markets and systems it manages.

In this regard, BME and the Group's companies carry out their activity efficiently, responsibly and sustainably, managing the financial markets and systems in strict compliance with both domestic and international legislation, and in particular, economic, social and environmental legislation, as well as the codes it voluntarily embraces.

BME'S corporate social responsibility is an integral part of the Group's general strategy and day-to-day operations. It discloses all relevant information on financial and non-financial issues affecting the Company's activities.

During 2019, BME approved the Corporate Social Responsibility Policy of BME and its Group, which was prepared in accordance with the Good Governance Code of Listed Companies and made available in the "Corporate Information" section of the corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es). This Policy includes the action principles and guidelines with the different actors participating in the markets and society in general, including the establishment of fluid relations between the Company, its employees and trade union organisations. (102-16) During 2020, a dedicated sustainability portal was created on BME's corporate website, containing all the information concerning the Company and its Group on this matter.

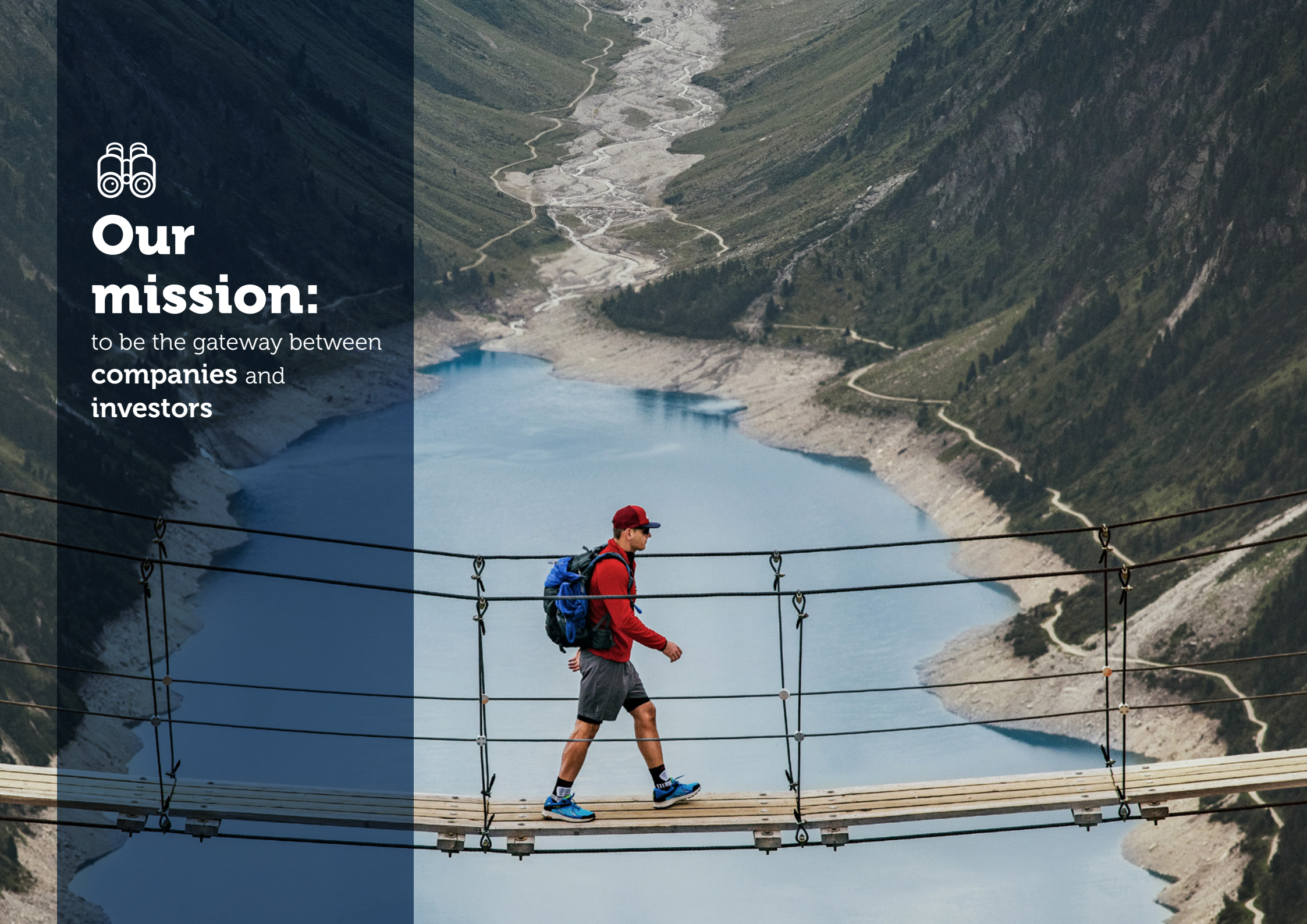
BME Group is committed to favouring transparency and free market rules, as well as competing in markets in a fair manner and not carry out misleading or denigrating advertising of its competition or third parties. In 2020, BME Group was not affected by any significant legal proceedings filed for anti-competitive behaviour, anti-trust, and monopoly practices. (103: Unfair competition, 206-1)





# Our mission:

to be the gateway between  
**companies** and  
**investors**





## BME PARTICIPATES IN THE FOLLOWING NATIONAL AND INTERNATIONAL INITIATIVES.

(102-12)



### THE CODE OF BEST TAX PRACTICES.

The aim of this Code is to promote a cooperative relationship between the Tax Agency and BME Group companies that have signed this Code, based on the principles of transparency, mutual trust, good faith and loyalty between the parties.

BME has been adhered to this code since 2010.

Almost all of the companies in the BME Group with their registered offices in Spain are individually adhered to the Code of Best Tax Practices.



### THE UNITED NATIONS GLOBAL COMPACT.

This initiative aims to promote business sustainability through the implementation of 10 universal principles of conduct and action in relation to human and corporate rights, labour practices, the environment and the fight against corruption, in the strategy and the day-to-day operations of all types of entities, thus promoting sustainable development objectives.

BME has been adhered to this code since 2011.

BME complies with its fundamental responsibilities in the areas of human rights, employment, the environment and anti-corruption, by incorporating the principles of the Global Compact into its strategies, policies and procedures, and by fostering a culture of business integrity.



### SUSTAINABLE STOCK EXCHANGES (SSE) OF THE UNITED NATIONS.

This initiative aims to raise awareness of best corporate governance and social and corporate responsibility practices, and to foster sustainable business practices.

BME has been a *Partner Exchange* since 2015.

In the performance of the aforementioned commitment, BME encourages the issuers of securities and the new companies listed on the markets and systems managed by BME, to report non-financial environmental, social and corporate governance information in their periodic reports. (102-12)

## Tax transparency. (103: Economic performance, 201-1, 207-1 to 207-4)

Effective tax management and greater legal security in tax matters enhance the results of the Company and the Group, and lessen the risks inherent in complying with tax obligations.

In this context, on 30 September 2010, BME adhered to the Code of Best Tax Practices and, based on the recommendations contained therein, approved a number of tax policy principles in 2011, which can be consulted on BME's corporate website; these were replaced by the tax strategy approved by BME in 2015 and implemented by the tax policies applicable to BME and the companies in BME Group that was also approved in 2015.

By virtue of the Company's fiscal strategy, the Board of Directors, subject to a favourable report by its Audit Committee, must approve the corporate transactions that might take place and that are considered relevant for the Company given the special tax treatment they receive -such as the creation or acquisition of holdings in special purpose vehicles or those domiciled in countries or territories considered tax havens- and any transaction or business of a similar nature that might undermine the Group's transparency. The tax strategy and policy applied by BME and BME Group companies, in line with the best tax practices, contributes to sustaining and strengthening the public sector and socio-economic equality.

## TAX TRANSPARENCY.

	Country	2019	2020
Income from sales to third parties (thousands of euros)	Spain	285,392	307,053
	Germany	-	-
	Portugal	-	-
	Colombia	-	-
	United States	-	-
Income from intra-group transactions with other tax jurisdictions (thousands of euros)	Spain	-	-
	Germany	-	-
	Portugal	-	-
	Colombia	347	419
	United States	-	-
Tangible assets (thousands of euros)	Spain	57,966	60,675
	Germany	-	-
	Portugal	-	-
	Colombia	1	1
	United States	-	-
Pre-tax profits <sup>(1)</sup> (Thousands of euros)	Spain	159,255	163,086
	Germany	-12	0
	Portugal	-36	0
	Colombia	27	62
	United States	-485	-1,655
Income tax (Thousands of euros)	Spain	39,450	41,757
	Germany	-	-
	Portugal	-	-
	Colombia	5	3
	United States	0	0
Total tax contribution <sup>(2)</sup> (thousands of euros)	Spain	123,066	132,322
	Germany	-	-
	Portugal	-	-
	Colombia	20	18
	United States	11	11

(1) The data on pre-tax profit recorded in this table correspond to the profit obtained individually by the group's companies in the country in which they have their registered office, excluding consolidation adjustments. Subsequently, the data expressed here differ from the data on pre-tax profit presented in the consolidated financial statements.

(2) This includes the taxes on its activities, which are an effective cost for the Company and its group and the taxes collected and paid on behalf of other taxpayers as a result of the economic activity generated.



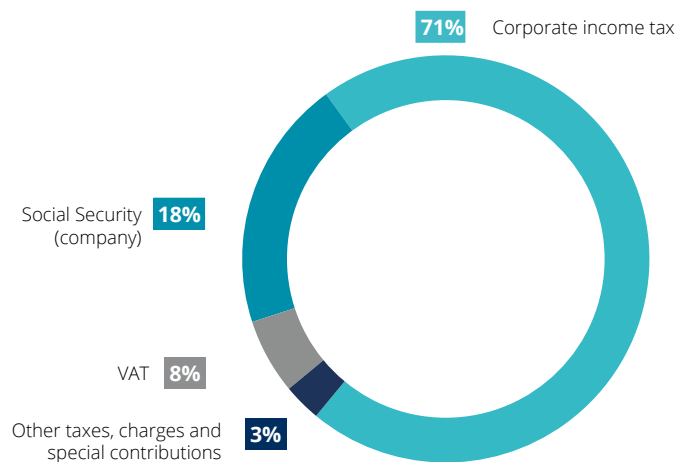
New

# sustainability

section on **BME's** website



## BME - TAXES PAID AND OTHER EXPENSES (2020).



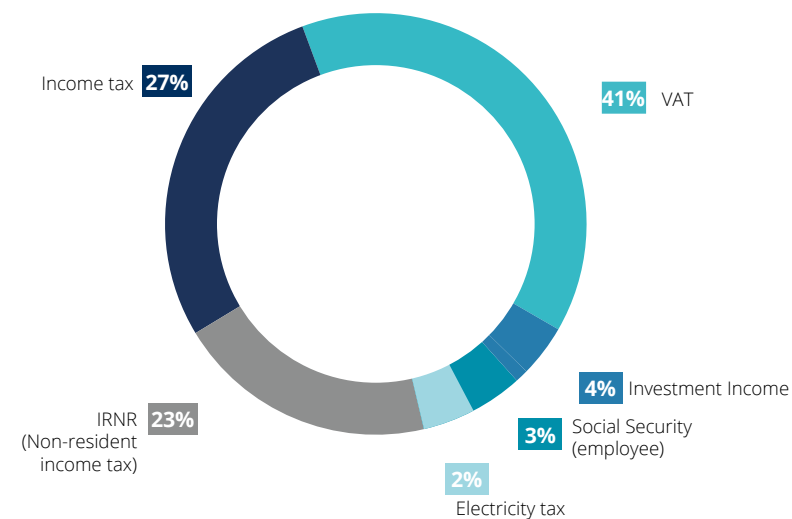
## LEGEND:

VAT: Value-added Tax. IRPF: Personal Income Tax. IRNR: Non-resident Income Tax.  
RCM: Investment Income. Social Security (Company) Staff costs related to Social Security.

	2019	2020
Average corporation tax rate for BME Group companies (*)	24.65%	24.71%
General tax rate	25.00%	25.00%

(\*) The difference between the average corporation tax rate for BME Group companies applied and the general corporate income tax rate in 2019 and 2020 is attributable to certain permanent differences that are not tax deductible and consolidation adjustments that are also not part of the consolidated tax base.

## BME - TAXES COLLECTED (2020).



Employees can report any breach by the Company or its employees of the policies or procedures implemented by the Group, any non-compliance with the Code of Conduct or other aspects that may be evidence of a possible crime including tax crimes, such as corruption, bribery or fraud, via the Whistleblowing Channel.

## 2.3. SECURITY, ETHICS AND INTEGRITY.

BME considers the assets of the BME Group, among which are its operational headquarters, data processing centres and the information associated with the services that it provides, as well as the information systems that support it, as strategic resources subject to special protection.

In this regard, the Company has identified as a material aspect of great importance for its stakeholders and its strategy the secure, ethical and integral development of its activities, which is shaped by the logical and physical security policies adopted by the Company as well as by the Crime Prevention System and the Internal Code of Conduct and their implementing regulations. The documents containing the policies, regulations and procedures deriving from these issues have been distributed and made available to employees via the BME intranet.

### A) SECURITY POLICY.

With the aim of ensuring that the assets and persons associated with the BME Group are protected from threats and risks that may affect them, as well as safeguard the integrity of its employees, clients and partners, BME has approved the *Security Policy* which affects employees and directors of BME Group companies and any external contractors that may exist and, also the different assets of the Group, whether tangible and intangible, movable and immovable. As part of the development of this Security Policy, BME has approved a Security Incident Handling Procedure that establishes the actions to be taken in the event of any security incident, whether this is considered a breach of BME's Security Policies or not.

BME created the Security Committee, a body that reports to the Chief Executive Officer's office, that is responsible for defining and applying the BME Group Security Policy, as well as integrally directing and articulating the logical and physical security functions as part of a Comprehensive Security Management Model aligned with the main ISO/IEC 27001, ISO/IEC 27002, ISO 22301 and ISO/IEC 31000 standards.

Furthermore, BME has a *Chief Data Officer* (CDO), responsible for the digital transformation, *data & analytics*, support implementing new projects and the organisation or coordination of IT with Information Security.

## Logical Security Policy.

BME's Logical Security Policy, which allows it to protect the information and IT systems from threats and the risk of data leaks such as intrusions, fraud, sabotage and industrial espionage, are implemented through the *Information Security Policy and the Business Continuity Policy*:

- *Information Security Policy*, the purpose being to prevent the abusive use of IT tools through the identification of prohibited and permitted conduct, the consequences that may derive from their abusive use and the control procedures to be adopted by Company Management.

Furthermore, with a view to protecting BME from events that may threaten the continuity of its business and, where applicable, minimise the damages and unforeseen circumstances that may affect the business, describe the approach, functions and responsibilities in terms of the controls applied to restrict access to its systems and data, describe a series of necessary requirements and recommendations aimed at improving the security and robustness of personal passwords for accessing the online services offered by BME, and the definition of protection measures employed by BME Information Systems, aimed at guaranteeing the confidentiality, integrity and availability of the information BME has approved, including but not limited to, an access control and permissions policy, a password policy, a vulnerability management procedure, an access review procedure and information protection measures and rules for contracting cloud services.

BME has implemented an Information Management procedure for the management of personnel, defined by the Information Security Department, which is applied to the management of Human Resources in the scope of the selection and recruitment of personnel, aligning it with the ISO 27000 security requirements, to ensure that the candidates understand their responsibilities and are suitable for the roles for which they are being considered, understand and comply with their duties in relation to information security and protect the interests of the organisation as part of the change process upon termination of employment.

- *The Business Continuity Policy* details the technical and organisational initiatives that ensure the operations of BME in the case of a severe security incident. As part of the Business Continuity Policy, BME has approved the Business Continuity Plan and the Reduced Business Continuity Plan. Furthermore, BME, Iberclear and BME Clearing Group companies have their own Business Continuity Policies.

## Physical Security Policy.

The Physical Security Policy is described in the *Physical Security Plan*, which details the physical security measures implemented by BME to protect the facilities, especially the data processing centres where all the IT equipment and information, storage and processing systems are located.



## B) ETHICS AND INTEGRITY. (102-16, 102-34)

Ethics and integrity at BME are the two cornerstones upon which its commitment to its stakeholders is built. With this in mind, BME Group sets out the general principles of action of its directors, legal representatives, management and employees through diverse means with the aim of establishing a framework that allows BME to create efficient measures to prevent, discover, investigate and, where applicable internally penalise the crimes and inappropriate conduct that may be committed with the resources or during the performance of their activities in BME and the companies of the Group.

### General principles for operating in the securities market. (102-16, 102-17)

The Company has in place an Internal Code of Conduct (ICC) the purpose of which is to define the principles and framework of action that must be observed for operating in the securities market by all BME personnel and the companies of its Group and any other person providing their services or maintaining a professional relationship with BME and its Group.

As per the Internal Code of Conduct, and in line with guidelines for disclosing insider information to third parties published by the Spanish National Securities Market Commission (CNMV) and Regulation 596/2014 on Market Abuse BME's *Policy for the treatment and transmission of insider information* lists the measures and internal control procedures to be established in BME and its group companies to safeguard insider information.

In addition to these rules of conduct, BME has established a *Procedure for reporting deficiencies*

*in the internal control and management systems*, which establishes the channels any employee can use to inform the competent internal body of any irregularities detected in these systems. No irregularities or weaknesses were identified in the risk management and internal control systems in 2020.

These regulations and the implementation of the procedure for reporting deficiencies in internal control and risk management systems form a mechanism for detecting potential cases of corruption and fraud.

### Monitoring and compliance bodies.

The Markets and Systems Operating Procedures Committee is the competent body responsible for the interpretation of the Internal Code of Conduct, while the Audit Committee is responsible for the processing and, where applicable, the imposition of the penalties for non-compliance with the Internal Code of Conduct on the members of the Board of Directors and persons with managerial responsibilities. The Regulatory Compliance Department is responsible for monitoring and reviewing employee compliance with the Internal Code of Conduct.

The Board of Directors oversees the activities of its delegated Committees, among these being the Markets and Systems Operating Procedures Committee and the Audit Committee, with an annual assessment of their performance, through the Activities Report of these Committees.



## General principles governing the actions of BME employees.

(103: Anti-corruption, 102-16, 102-17, 205-2, 205-3)

With the aim of combating and preventing all types of crime, and in particular fraud, corruption and bribery, which may potentially materialise in the performance of the activities carried out by the Company and to strictly comply with the legislation in force, BME has established a crime risk prevention system, which is based on general preventive controls, consisting of the rules, bodies and procedures and communication channels and other specific preventive controls such as the Integrated Risk Management System and the review carried out by the Regulatory Compliance and Internal Audit Departments.

Among the general preventive controls that facilitate the prevention of crime and the fight against corruption, bribery and fraud, are:

- [Code of Conduct](#): *The Code of Conduct* recoge comprises the ethical principles and rules of conduct which govern the actions of all directors, legal representatives, executives and employees.

For illustrative purposes, employees are issued with “*Principles of Action Guidelines for Employees*”, which aims to provide employees with knowledge of those conducts that may be classified as a crime.

- [Crime Risk Prevention Model](#): *The Principles for crime risk prevention of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. and its Group Companies*, which are the basis of the Crime Risk Prevention System, described among other documents in the general and special section of the *Crime Risk Prevention Manual*, which were updated during 2015 and 2016 due to the entry into force of amendments to Spain's Penal Code. In 2020, work has continued to update the Criminal Prevention System to, in addition to other objectives, update its content and improve controls to prevent corruption and other irregular practices.

Although BME is not obliged by Law 10/2010 of 28 April on Anti-Money Laundering and the Financing of Terrorism, the abovementioned Crime Risk Prevention System establishes specific controls to mitigate the behaviour associated with money laundering and the financing of terrorism within the organisation.

*The Whistleblowing Channel*, available to employees on the Human Resources intranet together with its Usage Policy, establishes the procedure for communicating and processing the facts from which it may be inferred that there is evidence of non-compliance with the policies or procedures implemented by the Group, non-compliance with the Code of Conduct or other aspects that may be evidence of a possible crime, such as corruption, bribery or fraud. In 2020, no reports were received via the Whistleblowing Channel inbox.

The Crime Prevention Committee, reporting to the Audit Committee, was set up to implement, develop and comply with BME Group's crime risk prevention system.

The Code of Conduct establishes the principles and guidelines of conduct to prevent actions related to the typical conduct associated with, for example, the crimes of corruption among civil servants or bribery and corruption in international business transactions, as well as the crimes of passive bribery and the exercise of undue influence and against the Spanish Taxation Authorities and Social Security, the controls of which aimed at mitigating the risks of committing associated conducts are detailed in the *Special Section of the Crime Risk Prevention Manual*.

In addition, the members of the Boards of Directors and certain positions of the companies of the BME Group that are considered supervised entities, must sign a Declaration of Good Repute and present the Criminal Record Certificate issued by the Ministry of Justice, in which they declare that they do not have prior convictions for any serious fraudulent or negligent crime related to, for example, the provision of financial services and data services, acts of fraud, misappropriation of funds, bribery, or misconduct in the management of a company.

In this manner, BME, through the above channels effectively fights against any case of corruption, bribery or fraud that may affect, where applicable, the companies of the Group, the employees of BME and of its Group companies, the members of the governing bodies of these companies and the other persons who provide services or engage in a professional relationship with BME or its Group companies. During 2020, no cases of corruption, bribery and fraud were reported or discovered. [\(102-16, 102-17, 205-1, 205-2, 205-3\)](#)

#### Monitoring and compliance bodies. [\(102-29, 102-30, 205-1\)](#)

The Risk Prevention Committee, reporting to the Audit Committee, is the internal control body that has autonomous power to act upon its own initiative and control and is charged with the supervision of the functioning and the compliance with the prevention model implemented in BME Group.

This Committee, which has the support of the Regulatory Compliance Department and the General Secretary and the Board, is charged with the supervision of the effectiveness of the internal controls implemented in BME Group, it monitors the measures adopted within the scope of crime risk prevention, regularly informs the Audit Committee regarding the activity carried out, proposing, where necessary, any improvements or specific updates to the controls and procedures of the Crime Prevention System.

The Audit Committee is charged with the supervision of this System and of submitting any proposals to modify the Crime Risk Prevention Manual before the Board of Directors for approval, as well as inform this body of any actions initiated as a result of any breach or non-compliance of a criminal nature.

The Company's Internal Audit Department is responsible for periodically auditing those processes likely to be affected by corruption, bribery or fraud, as well as the risks of fraud that the Board of Directors have identified as a result of the determination of the management and risk control policy currently being drafted.







## 2.4. RELATIONSHIPS WITH STAKEHOLDERS AND OTHER RELEVANT SECTORS.

### A) RELATIONSHIPS WITH ITS STAKEHOLDERS (102-33; 102-44)

BME has in place a series of measures for communicating with its stakeholders through which these may be informed of the activities carried out by the Company and through which they may communicate their questions, queries and suggestions.

#### USERS

##### Means used by BME to communicate with users:







- Investor Ombudsman.
- BME Group companies websites.
- Social Media:      
- Telephone hotline and the emails for Business Units.
- Press releases and documents of interest.
- Articles and other publications.
- Training days and forums.
- Technical committees and commissions.
- Collaboration with institutions and associations.
- Visit to company facilities.

##### Most interesting aspects of BME for users:

- New services and products.
- Quality certificates for the services provided.
- Efficiency and diversification in the business model.
- Ethics and transparency.
- User protection and privacy.
- User education.

#### SHAREHOLDERS

##### Means used by BME to communicate with shareholders:

- General Shareholders' Meeting.
- Electronic Shareholder Forum.
- Dedicated section on the corporate website: [www.bolsasymercados.es](http://www.bolsasymercados.es)
- Permanent information service for market players and regulators ([www.cnmv.es](http://www.cnmv.es)).
- Social Media:      
- Shareholders' Office: [accionista@grupobme.es](mailto:accionista@grupobme.es).
- Investor relations: [investorRelations@grupobme.es](mailto:investorRelations@grupobme.es).
- Corporate publications.
- Press room.

##### Most interesting aspects of BME for shareholders:

- Economic value generated and distributed.
- Optimisation of cost and investments.
- Fiscal Policy.
- Value creation: Share price trend.
- Shareholder remuneration.
- Shareholder Education Plan.
- Marketing and Communication.

#### SOCIETY

##### Means used by BME to communicate with society:

- Participation in national and international institutions.
- Financial Education Day.
- Partnerships with universities and academic associations.
- BME Digital Editions and sponsorship of publications.
- Educational and informative activity.
- Support for *SMEs y start-ups*.
- Corporate website: [www.bolsasymercados.es](http://www.bolsasymercados.es)
- Guided visits of company facilities.
- Involvement in cultural foundations and organisations.

##### Most interesting aspects of BME for society:

- Financial training.
- Promoted financial sponsorship and awards.
- Financial informative activity.
- Cultural and social activities.
- Environmental and greenhouse gas emissions policy.

#### SUPPLIERS

##### Means used by BME to communicate with suppliers:






- Corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es)
- Complaint and enquiry service.
- Meetings with suppliers.
- Invitations to tender.
- Formal commitment of suppliers.
- Initial supplier appraisals and quotations.
- Order evaluations.

##### Most interesting aspects of BME for suppliers:

- Average suppliers payment period.
- Volume of procurements.
- Suppliers accreditation, assessment and monitoring process and orders.
- Quality standards of goods and services required by BME.

#### EMPLOYEES

##### Means used by BME to communicate with employees:

- Corporate website: [www.bolsasymercados.es](http://www.bolsasymercados.es).
- Social Media      
- BME Intranet and Human Resources online.
- Email.
- Human Resources Query Hotline.
- Internal communiqués.
- Representative Bodies.
- Technical Committees deriving from the Collective Agreement.
- General Shareholders' Meeting.
- Corporate Publications (ACTIVO Magazine, Newsletters).

##### Most interesting aspects of BME for employees:

- Work/life balance.
- Diversity and equal opportunities.
- Social benefits.
- Training.
- Career advancement.
- Salary policy and employment conditions.

## B) RELATIONSHIPS WITH PUBLIC ADMINISTRATIONS AND OTHER RELEVANT SECTORS. (103: Public policy, 201-4, 415-1)

In view of the importance of the functions performed by BME in ensuring the smooth running of financial markets and, by extension, the Spanish economy, the company must maintain a smooth relationship with public bodies through official channels, predicated on strict adherence to applicable regulations, and with the domestic and international media.

BME does not make donations to any political parties or organisations, allowing BME's management to remain independent in its relationships with local, regional and national government bodies. BME did not receive any financial contributions from the government or public authorities in general in 2020, other than the contribution to "Operación Balmis" referred to in section 7.4 of this report.

### FOUNDATION FOR CONTINUOUS TRAINING.

	2019	2020
Monetary value of financial aid deriving from the State Foundation for On-the-job Training system	94,404.72 €	105,078.69 €

## 2.5. CORPORATE GOVERNANCE AND RISK MANAGEMENT.

### A) CORPORATE GOVERNANCE. (102-18, 102-22, 405-1)

BME's corporate governance structure is based on the guiding principles of transparency, shareholder participation and the independence of the external auditor.

In this regard, BME's Board of Directors has approved and updated its *Corporate Governance Policy*, which is available on the corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es) together with the other Corporate Policies (such as the Directors' remuneration policy), and which details the principles and aspects that govern the actions of the Company and its Group in this area, as well as the commitments undertaken for the continuous improvement and review of the corporate governance rules of the Company and its Group. BME's internal regulations are available under the "Corporate Information" section of the corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es).

As at 31 December 2020, the **Board of Directors**, the most senior governing and administrative body of the Company and responsible for approving the Corporate Capital Social Responsibility Policy, was made up of 6 members of recognised capacity, integrity and independence.

#### COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2020.

Directors	Position on the Board	Character	Length of service on the Board	Committees		
				Audit Committee	Audit Remuneration Committee	Markets and Systems Operating Committee
Mr Johannes Dijsselhof	Chairman	External proprietary	18.06.2020	-	Member	Member
Mr David María Jiménez-Blanco Carrillo de Albornoz	Deputy Chairman	External Independent	26.04.2018	Member	Chairman	
Mr Javier Hernani Burzako	Chief Executive Officer	Executive	27.04.2017	-	-	-
Ms Marion Leslie	Director	External proprietary	30.07.2020	-	-	Member
Ms Belén Romana García	Director	External independent	30.07.2020	Chairwoman	Member	Chairwoman
Mr Daniel Schmucki	Directors	External proprietary	18.06.2020	Member	-	-

Secretary of the Board and of the Committees: Mr Luis María Cazorla Prieto

Deputy Secretary of the Board and of the Committees: Ms Cristina Bajo Martínez

#### NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS BY AGE AS AT 31 DECEMBER OF EACH FINANCIAL YEAR.

	2019 (*)	2020
< 30	0	0
30 - 50	1	1
> 50	10	5

(\*) The following members sat on the Board of Directors at 31 December 2019: Mr Antonio J. Zoido Martínez, Mr Javier Hernani Burzako, Mr Ignacio Garralda Ruiz de Velasco, Mr David María Jiménez-Blanco Carrillo de Albornoz, Ms María Helena dos Santos Fernandes de Santana, Ms Ana Isabel Fernández Álvarez, Mr Joan Hortalá i Arau, Mr Juan March Juan, Ms Isabel Martín Castella, Mr Santos Martínez-Conde y Gutiérrez-Barquín and Mr Juan Carlos Ureta Domingo.

The Directors classified as external proprietary directors represent the only legal entity shareholder that holds a 100% interest in the share capital of the Company, SIX Group.

The professional backgrounds of the members of the Board of Directors, which are available on the corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es), detail the posts held and activities performed in the companies of BME Group and other companies outside of the Group.

The Audit Committee, as per the Board of Directors' Regulations, is responsible for supervising the application of the principles and guidelines concerning the Company's corporate social responsibility and the monitoring of the corporate social responsibility strategy and practices. (102-20)

The competences of the Appointments and Remunerations Committee and the Markets and Systems Operations Committee, in addition to all information on corporate governance, is available from the "Corporate Information" section of the corporate website.

In 2020, training was provided to members of BME's Board of Directors, but no specific anti-corruption training was provided. (205-2)

## BME's structure. (102-19, 102-20)

As established in the company's Articles of Association and Board of Directors' Regulations, the Board of Directors has entrusted the running of its ordinary business to its delegate bodies, the Board's executive members and the senior management team, and it falls to the Board of Directors to foster, direct and supervise those issues of special importance for the Company.

For these purposes, the Company has a **Chief Executive Officer**, which as of 25 April 2019 is BME's most senior executive, and who is responsible for the running of the ordinary business of the Company, with the maximum executive functions. Between 25 April 2019 and 30 July 2020, the Chairman of the Board of Directors held the status of non-executive Chairman, after 17 years as chief executive officer of the company. As of 30 July 2020 the Chairman of the Board of Directors is a Director qualified as an external proprietary Director. (102-23)

BME's senior management consists of the Secretary General, Mr Luis María Cazorla Prieto, and the members of the **Management Committee**, which reports to the Chief Executive Officer. This Committee, which is the body that directly supervises the management of the Business Units and Corporate Areas, ensures a coordinated action between them, as well as that between the Company and the Group's companies. At 31 December 2020 the composition of the Management Committee was as follows:

## MANAGEMENT COMMITTEE AT 31 DECEMBER 2020. <sup>(1) (2)</sup>

Mr José Manuel Ortiz Repiso Jimenez (Director of Clearing)

Mr Jorge Yzaguirre Scharfhausen (Director of Markets and Market Information)

Mr Jesús Benito Naveira (Director of Settlement and Registration)

Ms Berta Ares Lombán (Director of Value Added Services)

Ms Marta Bartolomé Yllera (Financial Director)

Mr Francisco Nicolás Tahoces (Technology Director)

Mr Pablo Malumbres Muguerza (Corporate Communication Director and Public Affairs)

Mr Ignacio Olivares Blanco (Director of Legal Services)

(1) Mr Javier Hernani Burzako, Chief Executive Officer of BME, chairs the Management Committee.

(2) Mr Luis García Berral, Director of the Human Resources Department, may also attend Management Committee meetings.

## NUMBER OF MEMBERS OF THE COORDINATION COMMITTEE BY AGE.

	2019	2020
Women	2	2
Men	7	7
< 30	0	0
30 - 50	4	4
> 50	5	5

As part of the performance of its functions, the Management Committee will receive support from the **Coordination Committee**, made up of members of the Management Committee and other executives appointed by the Chief Executive Officer to this end. In particular, the Coordination Committee will be responsible for the supervision and monitoring of the results of the Business Units, the projects being developed by the Group and the Group's strategic plan.

Furthermore, the **Continuity and Risk Committee** is the body reporting to the Management Committee, responsible for the monitoring and analysis of risks deriving from the activities carried out by the companies of the Group and for maintaining the Board of Directors informed, through the Audit Committee, of the actions performed in the implementation of the risk control and management policy and the preparation, application and maintenance of the Business Continuity Policy and the approval and supervision of the application of the Business Continuity Policy.

Furthermore, given the group's corporate structure, the coordinated management of its activities is based on a structure of seven Business Units and six Corporate Areas providing support functions to all business units. [\(102-19, 102-20\)](#)



## BUSINESS UNITS DURING 2020.

## Director / Head



**Fixed Income:** Trading of private fixed-income and public debt securities as well as listing and maintenance services for issuers on the private fixed-income market.



**Equities:** Trading of securities through the electronic trading platform (Sistema de Interconexión Bursátil) and floors as well as listing and maintenance services for issuers on the equity markets.

Mr Jorge Yzaguirre Scharfhausen



**Derivatives:** Arrangement of derivatives by electronic means.



**Market Data** Primary information, index use licences and other related; access and connectivity and regulatory compliance services.



**Clearing:** Clearing and central counterparty activities for equities, financial derivatives, government debt repos, interest rate derivatives and electricity and gas derivatives.

Mr Ignacio Solloa Mendoza



**Settlement and Registration:** Registration and settlement of equity, private fixed-income and public debt trades. Shareholder Register Services, Issuing Agent Services, RENADE and BME Securities Solutions.

Mr Jesús Benito Naveira



**Value Added Services:** Technological innovation, financial, consulting and infrastructure services; global access services and algorithmic trading.

Ms Berta Ares Lombán

## CORPORATE AREAS DURING 2020.

## Person Responsible

General Secretariat	Mr Luis María Cazorla Prieto
Legal Services	Mr Ignacio Olivares Blanco
Corporate Communication and Public Affairs	Mr Pablo Malumbres Muguerza
Financial	Ms Marta Bartolomé Yllera
Human Resources	Mr Luis García Berral
Technology	Mr Francisco Nicolás Tahoces

## Remuneration of the Board of Directors and Senior Management of BME.

(102-35, 102-36, 102-38, 102-39, 102-48)

BME's Directors' Remuneration Policy, which is approved by the General Shareholders' Meeting, is transparent, reasonably proportional to the importance of the Company, its financial situation and the market standards of comparable companies and is compatible and in line with the business strategy, values and long-term interests of the Company and of its shareholders and is such that it promotes the long-term profitability and sustainability of BME. For Executive Directors, it shows a balanced and efficient relationship between fixed and variable components, with an appropriate proportion of variable components linked to (i) the delivery of medium- and long-term objectives, and (ii) the deferred delivery of Company shares.

BME Group's Remuneration Policy, which was proposed by the Appointments and Remunerations Committee and approved by the Board of Directors during its meeting of 29 November 2017, is applicable to all persons with an employment relationship with BME or any of the companies forming the Group and those persons who, as a result of their membership of the governance bodies of BME Group companies with executive powers, have had their employment relationship suspended with any of the companies of the Group.

## AVERAGE GROSS REMUNERATION OF THE DIRECTORS OF BME GROUP COMPANIES WHOSE POSITIONS ARE REMUNERATED. <sup>(1)</sup>

(THOUSANDS OF EUROS)

	2019	2020
<b>Directors</b>	<b>21</b>	<b>31</b>
Women	16	21
Men	22	34

(1) The average remuneration of the Directors of BME Group companies whose positions are exclusively remunerated includes the allowances received by the Directors, in their capacity as such, of Sociedad Rectora de la Bolsa de Valores de Madrid S.A. -Sociedad Unipersonal- Sociedad Rectora de la Bolsa de Valores de Barcelona S.A. -Sociedad Unipersonal- Sociedad Rectora de la Bolsa de Valores de Bilbao S.A. -Sociedad Unipersonal- Sociedad Rectora de la Bolsa de Valores de Valencia S.A. -Sociedad Unipersonal- Sociedad de Bolsas S.A., MEFF Sociedad Rectora del Mercado de Productos Derivados S.A. -Sociedad Unipersonal- Bolsas y Mercados Españoles Renta Fija S.A. -Sociedad Unipersonal- Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A. -Sociedad Unipersonal- and BME Clearing S.A. -Sociedad Unipersonal- for attending the meetings of their Boards of Directors in addition to the fixed and variable remuneration received by the Executive Chairman of the Board of Directors of Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U. during the financial year 2019 and during the financial year 2020 until his resignation as a member of the Board of Directors on 15 September 2020.

**AVERAGE GROSS REMUNERATION OF THE DIRECTORS AND SENIOR MANAGEMENT OF BME BY GENDER. <sup>(1)</sup>**

(THOUSANDS OF EUROS)

	2019	2020
<b>Directors <sup>(2) (3)</sup></b>	<b>206</b>	<b>480</b>
Women	77	45
Men	255	698
<b>Senior Management <sup>(4) (5)</sup></b>	<b>309.13 <sup>(6)</sup></b>	<b>473.53</b>
Women	259.44	467.27
Men	348.55	475.32

## Independence of the external auditor.

Irrespective of the maximum time limits for contracting auditors set down in audit regulations, BME has considered and continues to consider the number of consecutive years in which the external audit firm has audited the annual financial statements of the Company and its Group, in order to foster the independence of the auditors so as to increase transparency in the Company.

Furthermore, the BME Audit Committee approves a report on the independence of the external auditor for BME and its consolidated group each year, which can be consulted on the corporate website.

## B) Risk management. (102-29, 102-30)

The risks associated with the activities of BME Group companies are managed with criteria which enable the Company to combine the achievement of its aims of maximising its value, profitability and efficiency, with other legitimate interests, both public and private, in a way that allows the best development and functioning of those markets and systems operated by BME Group companies.

BME's risk management is based on two main pillars: good corporate governance and a rigorous internal control system.

As a result of the corporate governance structure mentioned in the above section, the management of the risks deriving from the various activities that BME carries out are initially channelled through the specific systems of identification, measurement, assessment and management that each Business Unit and Corporate Area has available in relation to the risks that may be incurred.

Furthermore, at the proposal of the Continuity and Risk Committee, which reports to the Management Committee, the Board of Directors at BME approved the Risk Management Policy in May 2020 that establishes the principles and responsibilities to ensure that the risks that could affect compliance with BME Group's strategies and objectives are identified, analysed, assessed, managed and controlled in a systematic manner, using uniform criteria, helping Senior Management and the governing bodies to make decisions and achieve the objectives defined for both BME Group and each of the companies it consists of.

Furthermore, the Continuity and Risk Committee is responsible for aspects including but not limited to preparing the Risk Map at a corporate level and implementing and monitoring the risk assessment model defined and adopted by the Management Committee, in addition to the competences in relation to the preparation, application and maintenance of the Business Continuity Policy and the approval and supervision of the enforcement of the Business Continuity Plan. As part of the preparation and maintenance of the Global Risk Map, which was updated in 2020, risks are prioritised according to their importance and matrices are produced that include the operating processes that manage such risks.

BME has put in place an Integrated Risk Management System (IRMS), based on the COSO II methodology, which was updated in 2020. This ensures that any significant risks that could affect the Group's objectives and activities are identified, evaluated and controlled, and which permits the integration of different risk management systems already existing in the Company, among which are: the Crime Prevention System (CPS) and the Information Security Management System (ISMS). This integration exercise enables the optimisation, at an organisational level, of all risk management efforts and also establishes a formal and coordinated risk information channel from the base of the different corporate Areas and Business Units to the Board of Directors.

Having evaluated the relevant risks, BME Management must define how to respond to them, for which it must take into account both their effect on the risk probability and impact, as well as the costs and benefits.

Although BME's IRMS affects and involves all Company personnel, the main participants in the risk management model, in addition to the Management Committee, are the following:

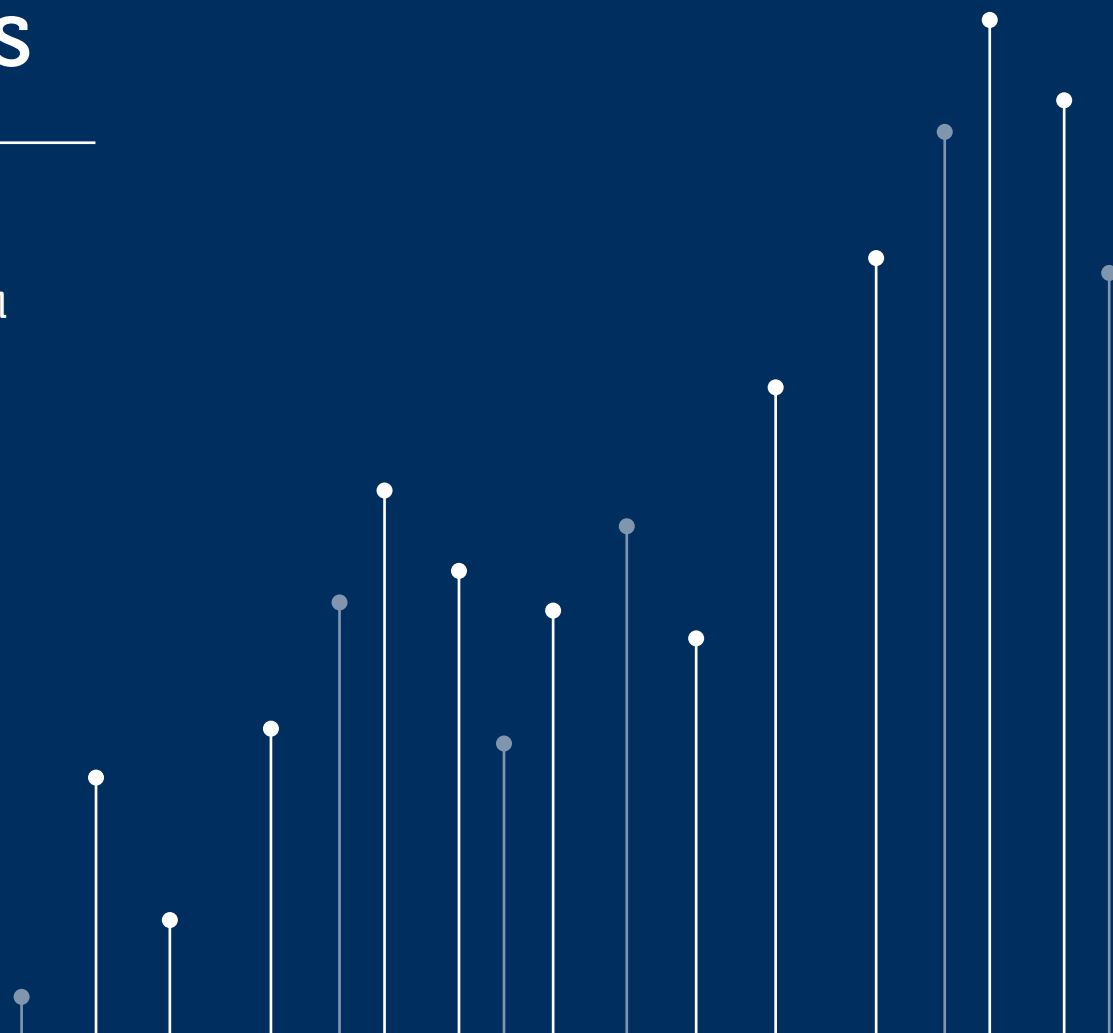
- The **Board of Directors**, as the Company's most senior governing and administrative body, is responsible for defining the control and management policy for risks, including tax risks, and annually monitors internal information-management and control systems, to ensure that the main risks are adequately identified, managed and made known.
- The **Audit Committee**, which reports to the Board of Directors, monitors the effectiveness of the Company's internal control and risk control systems, including tax risks, the Company's internal and external audit services, and the Group's regulatory compliance function.
- The **Crime Prevention Committee**, reporting to the Audit Committee, is responsible for the implementation, development of and compliance with BME Group's crime risk prevention system (CRPS).
- The **Continuity and Risk Committee** is the body reporting to the Management Committee, whose competences are set out in section 2.5.A of this Report.
- The **Crisis Committee**, a body reporting to BME's Management Committee, is, along with the **Continuity and Risk Committee**, the body responsible for closely monitoring the crisis situation generated by Covid-19 pursuant to the Continuity Plan and the protocols and procedures approved in the enforcement thereof.

- The **Security Committee** is the body responsible for defining and applying BME Group's Security Policy, which includes information, IT, and physical security.
- The **IT Security Team** is responsible for implementing, operating and maintaining the Information Security Management System (ISMS), in accordance with the Security Committee's guidelines. The Security Team is assisted by an information security operations group and an intelligence group responsible for detecting intrusions and analysing the incidents and cyber attacks.
- The **Internal Audit Department** is charged with providing senior management and the Board, through the Audit Committee to which this department reports, with information that enables them to fulfil the company's objectives, including the assessment and evaluation of the efficiency of the risk assessment tasks carried out. Its remit is therefore aimed at evaluating and improving the efficiency of the risk management processes, control and governance, by identifying key risks and controls.
- The **Regulatory Compliance Department**, a body independent to the Company's executive officers with the aim of ensuring compliance with the regulations applicable to the activities carried out by BME and its Group companies and which reports to the Audit Committee.
- The **heads of the Business Units and Corporate Areas** are the ultimate owners of the risks arising therefrom.
- The **employee responsible for the risk** is the owner of the risk for each Business Unit or Corporate Area appointed by their respective heads.

# 3. BME Shareholders

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- 3.1. Shareholder profile.
- 3.2. Communication and contact with shareholders, analysts and institutional investors and proxy advisers.
- 3.3. Value creation.
- 3.4. Shareholder remuneration and other benefits.



The Company has promoted and continues to promote interaction with its shareholders, who are encouraged to actively and continuously participate in corporate life, using the two-way communication and information channels described in section 2.4 of this report; the Company makes these channels available with a view to generating long-term and sustainable value and guaranteeing the responsible, diligent and transparent exercise of their rights, as well as the fulfilment, under the same terms, of their duties as shareholders. The foregoing is in line with the *Corporate Governance Policy* and *Corporate Social Responsibility Policy*, available on the corporate website, and the best good governance practices and techniques.

Along these lines, in 2020, the Company has demonstrated its commitment to transparent, comprehensive and specific information with its shareholders on the occasion of the voluntary takeover bid, made on 18 November 2019 by SIX Group for all BME shares, representing 100% of its share capital, that during the period of voluntary acceptance, it was accepted for 77,899,990 shares representing 93.16% of the shares subject to the bid and of the company's share capital, and subsequently, after by shareholders of the compulsory sell out right and squeeze out right, SIX Group acquired 6.84% of the shares owned by the Company's shareholders.



BME General Shareholders Meeting.

### 3.1. SHAREHOLDER PROFILE.

In 2020, the structure and ownership of BME's share capital has experienced the largest significant variation since its incorporation in February 2002 as a result of this takeover bid, resulting in SIX Group acquiring the condition of the sole shareholder in BME effective 24 September 2020.

During 2020 and up until on 14 June 2020, the date of settlement of the sale transactions of the voluntary acceptances of the SIX Group tender offer, 77,899,990 shares representing 93.16% of share capital, shareholders had the shareholder profile, breakdown by type and nationality, as indicated below.

#### SHAREHOLDER PROFILE. (\*)

	2019	2020		
Total number of shares	83,615,558	83,615,558		
Avg. number of shares held per shareholder	1,990	2,641		
Floating capital (%)	86.85%	86.94%		
<b>BREAKDOWN BY TYPE OF SHAREHOLDER (*)</b>				
	Institutional Shareholders		Non-controlling Shareholders	
	2019	2020	2019	2020
% of total shareholders	4.19%	4.28%	95.81%	95.72%
% of share capital	70.02%	80.27%	29.98%	19.73%
<b>BREAKDOWN BY NATIONALITY (*)</b>				
	Spanish Shareholders		Foreign Shareholders	
	2019	2020	2019	2020
% of total shareholders	99.03%	98.90%	0.97%	1.10%
% of share capital	57.20%	44.80%	42.80%	55.20%

(\*) The details of the shareholder profile and breakdown by nature and nationality for 2019 correspond to 31 December 2019. Furthermore, as this is considered representative, the shareholder details for 2020 reflect the shareholders recorded in the Shareholder Register on the day before to the settlement of the voluntary acceptances of the takeover bid by SIX Group on 11 June 2020 (the shareholder details during the period of the exercise are not included the exercise of the compulsory sell out right, between 16 June and 5 September 2020, and squeeze out right on 24 September 2020, as this is not representative).



# BME

**BOLSAS Y MERCADOS ESPAÑOLES**

*a SIX company*



**93.16%**

acceptance of  
SIX's bid

### 3.2. COMMUNICATION AND CONTACT WITH SHAREHOLDERS, ANALYSTS AND INSTITUTIONAL INVESTORS AND PROXY ADVISERS.

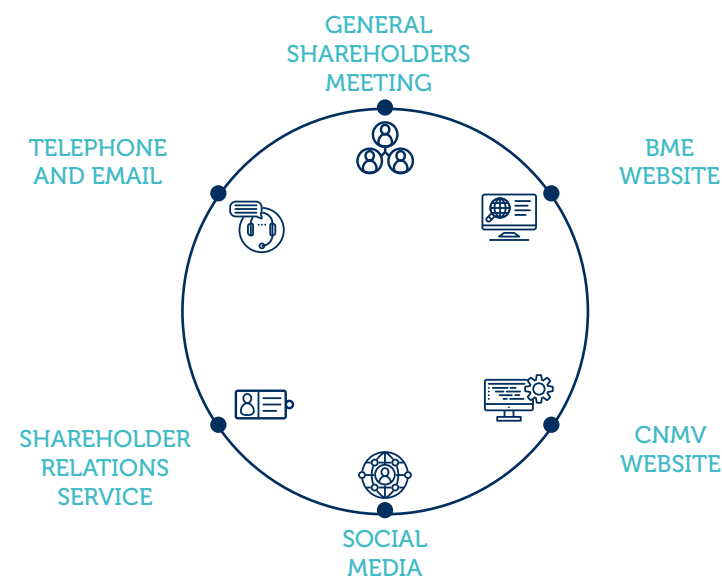
BME has put in place a *Policy on communication and contact with shareholders, analysts and institutional investors and proxy advisers* which is publicly available on the corporate website. The principles of this, i.e. information transparency and equal access, accuracy, immediacy, equality of treatment and a balanced distribution of information, were guaranteed during 2020.

#### Participation in company life. (102-37)

The correct functioning of the traditional two-way information and communication channels that BME has established has allowed its shareholders, analysts and institutional investors to interact with the Company in an efficient and fruitful manner, allowing them to access all the corporate information available to the public in 2020 and in particular the information relating to the takeover bid made by SIX Group, which, as mentioned, was accepted by the vast majority of BME shareholders.

Furthermore, these information and communication channels have allowed all the Company's stakeholders to obtain first-hand information on the circumstances surrounding the Covid-19 pandemic that could have an impact on the functioning of the securities markets managed by BME Group.

#### PARTICIPATION IN THE COMPANY LIFE.



It is also worth noting that during 2020, BME successfully held its General Shareholders Meeting sessions online for the first time, given the exceptional circumstances caused by the coronavirus crisis.

Furthermore, BME shareholders who have been part of the Company's corporate life ever since it was first floated in 2006, have found in the Madrid, Barcelona, Bilbao and Valencia stock exchanges the ideal place to interact with other stock market agents, reap the benefits of their journey as participants in the stock market and gain access, under equal conditions, to BME's entire chain of value.

### **SIX-BME Strategic Plan.**

During 2020, the 2019-2021 Strategic Plan has included the Company's main objectives for diversifying its income, accelerating growth and maintaining profitability for its shareholders. These objectives reflect BME's ambition to achieve a stronger position in the increasingly competitive and volatile environment in which it operates.

## 2019-2021 STRATEGIC PLAN.

### Main pillars.



Solid business model adapted to the environment.



Expectations of organic and inorganic growth.



Increased geographic diversification and services.



Boost its five business segments.



Equity, Fixed and Derivative Markets



Settlement and Registration



Clearing



Market Data



Value Added Services

### Main strengths.



Solid and highly profitable business model.



Long-lasting and firm relationships with main clients.



Cutting-edge, efficient and trustworthy technology.



Highly qualified personnel.



Solid, trustworthy brand.

On the occasion of the result of the takeover bid by SIX Group for BME's entire share capital, in 2020 the Company began a gradual and progressive merger with SIX Group; as part of this process, they have jointly undertaken the necessary actions to forge the new organisational structure of the SIX-BME Group to be applied in 2021 and overcome new challenges that will

help the company achieve a more solid position in an increasingly competitive and volatile environment. These actions include the inclusion of BME's Strategic Plan and the Medium-Term Financial Plan in the corresponding SIX Group Plans.

### 3.3 VALUE CREATION.

(103: Economic performance)

Harnessing the economic value of the Company for its shareholders in a sustainable way in the long term and the promotion of business continuity has been defined over the years as one of the principles that form the basis of the *BME Corporate Governance Policy*, which can be consulted on the Company's corporate website.

#### Share price performance.

The performance of BME shares in 2020 has been influenced by the aforementioned takeover bid made by SIX Group for 100% of the share capital of BME, as well as the performance of the share price and the volumes traded.

In this sense, the market value of the Company's shares during 2020 ranged from 34.24 euros at the start of the year to 32.94 euros on 29 September 2020, the date on which BME shares were delisted.

#### MAIN HISTORIC BME SHARE PRICE INDICATORS.

Nominal share price	3.00 €
Share price upon admission to trading	31.00 €
Lowest share price	12.89 €
Highest share price	52.00 €
Share price return	Price on date of delisting, 09/29/2020: 32.94 € 6.26% Price of the takeover bid: 32.98 € 6.39%
Return including dividends	Price on date of delisting, 09/29/2020: 32.94 € 88.22% Price of the takeover bid: 32.98 € 88.35%

#### ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED. <sup>(1)</sup>

(THOUSANDS OF EUROS) (201-1, 103: Economic performance)

	2019	2020
<b>Economic value generated</b>	<b>287,106</b>	<b>306,653</b>
Revenue	279,721	301,113
Other net gains (losses) <sup>(2)</sup>	7,385	5,540
<b>Economic value distributed</b>	<b>285,008</b>	<b>306,558</b>
Operating expenses	40,441	54,794
Staff costs	73,135	72,956
Dividends	130,107	135,149
Income tax and other taxes <sup>(3)</sup>	40,404	42,798
Payments to capital suppliers (financial cost)	0	0
Payments to public bodies, donations and other investments in the community	921	861
<b>Economic value retained (profit not distributed)</b>	<b>2,098</b>	<b>95</b>
Reserves	-7,351	-12,301
Amortisation and depreciation	9,449	12,396

(1) The balance of net turnover for 2019 and 2020 includes the net turnover after deducting the "variable direct costs of operations", the inclusion of which in the consolidated income statement under Revenue and from which it is then subtracted is imposed by CNMV Circular 5/2016 of 27 July on accounting standards, reserved and public disclosure, and financial statements.

(2) Includes work performed by the company on own assets, other operating revenue, the share of profit (loss) of companies accounted for using the equity method and the net financial result, minus the result attributed to external partners.

(3) Includes only income tax expense and taxes reported in the year.



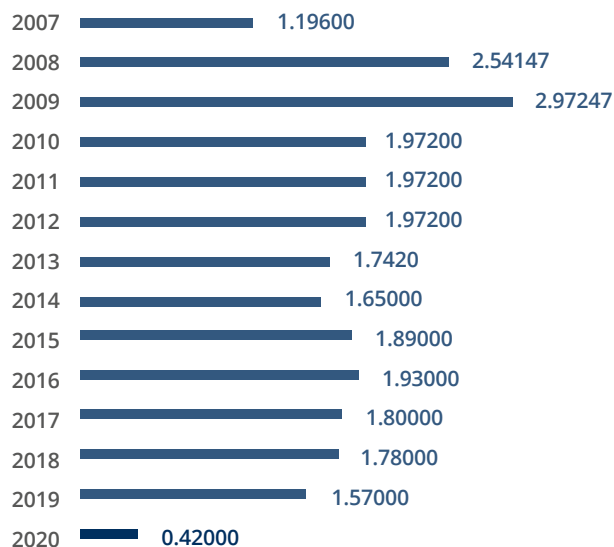
### 3.4. SHAREHOLDER REMUNERATION AND OTHER BENEFITS.

#### A) Shareholder remuneration through dividends. (103: Economic performance)

Starting in 2009 and lasting until 29 September 2020, BME's established practice of offering maximum shareholder remuneration in the form of dividends has consisted of the payment of three ordinary dividends (a final dividend and two interim dividends charged to profit for the current year), paid out in May, September and December. As a result, over the course of its history, BME has achieved one of the highest pay outs on the Spanish stock exchange of any listed company since it was first floated on 14 July 2006 and has distributed a total of 25.40 euros gross per share to its shareholders.

#### DIVIDENDS DISTRIBUTED SINCE 2007.

(EUROS PER SHARE)



#### B) Shareholders' Training Plan.

Educating BME shareholders has represented one of the pillars of its Corporate Governance Policy, with BME delivering the Shareholders' Training Plan, through Instituto BME, since it was launched in 2013 at the proposal of its shareholders.

During 2020, this Shareholders' Training Plan was delivered in person until the state of alarm was declared March 2020 in the form of courses imparted by highly qualified personnel in each subject area at the facilities that BME has at the headquarters of the Madrid, Barcelona, Valencia and Bilbao stock exchanges. The level of satisfaction of BME shareholders participating in the specific training plan developed by the Company in 2020 was 4.50 out of 5.

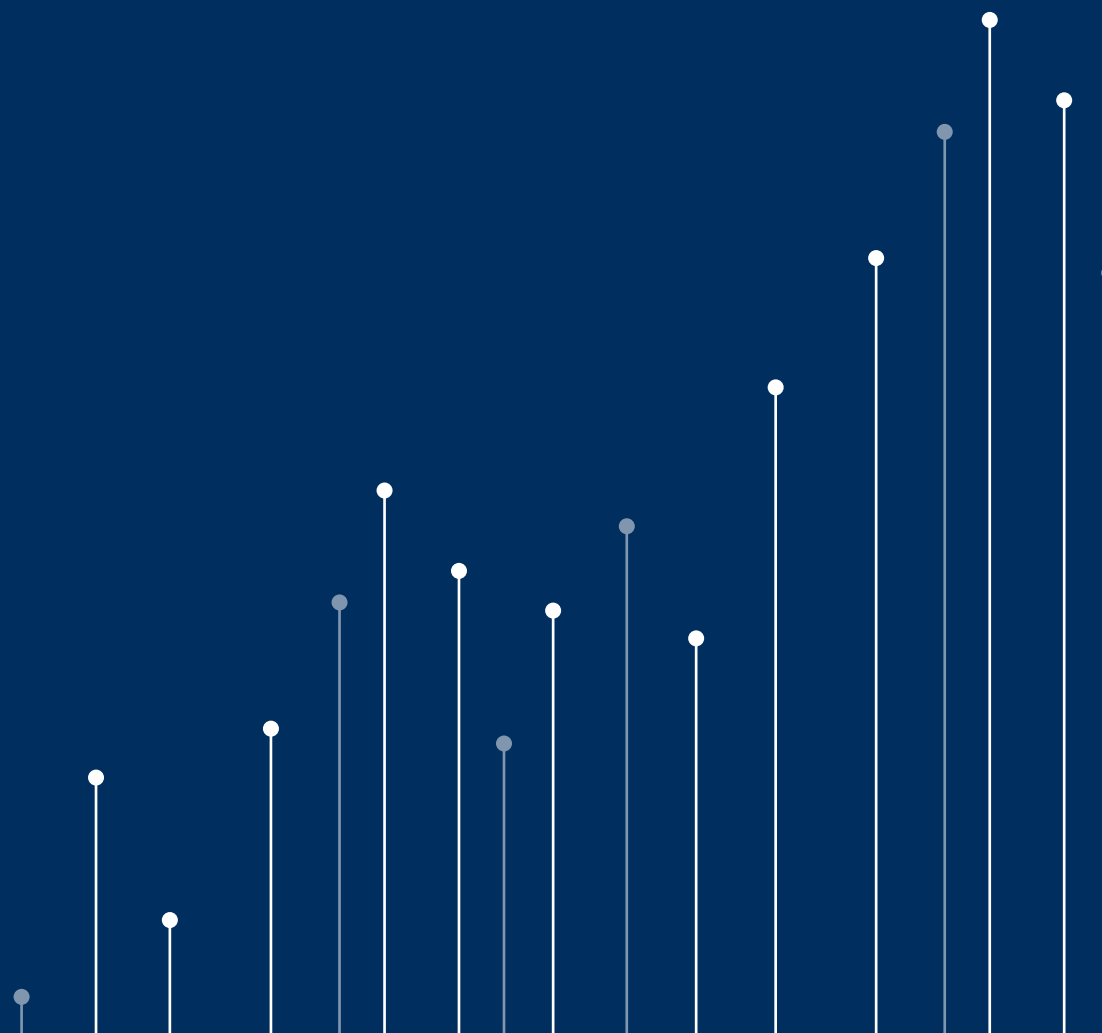
# 4. Users

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4.1. User profile.

4.2. User protection and privacy.

4.3. User education.



## 4.1. USER PROFILE.

The BME Group currently integrates systems for registering, clearing and settling securities, central counterparty entities, secondary securities markets and Spanish multilateral trading systems, and carries out a range of complementary and auxiliary services spanning, among other areas, information, consulting, IT, contingency services, business continuity and training.

BME's users or clients are therefore mostly entities supervised by the CNMV: the markets and trading systems managed by BME do not provide their services directly to individual investors, except through their auxiliary services.

BME maintains its commitment to sustainable financing not only as the management company of capital markets but also as a company in its own right; it forms part of various initiatives and working groups in Spain and abroad that seek to promote sustainability and good corporate governance at home and worldwide. In the case of Spain, sustainable financing issued by companies and institutions in 2020 came to 15,024 million euros in 2020, up by 54% year on year, according to data gathered by the Spanish Observatory for Sustainable Financing (OFISO).

BME Group has not received any significant definitive fines or sanctions for non-compliance with the regulations in relation to economic aspects in 2020 as part of its operations. (419-1)

## Quality certificates for the services provided.

In 2020, BME Inntech and Instituto BME, both BME Group companies, retained the international quality stamp. BME Inntech holds UNE-EN ISO 9001:2015 quality certificates issued by AENOR guaranteeing the quality of the service relating to contingency, business continuity, physical and virtual hosting of clients' equipment, as well as its management and data applications, technical management and maintenance of IT platforms specialising in the finance sector, the provision of a financial messaging exchange service for banks and companies, consultancy and training regarding international financial markets, and UNE-ISO/IEC 20000-1:2011, which endorses the Information Technology Services Management System that supports the provision to clients of the following services: Contingency and business Continuity, physical and virtual Hosting of customer equipment, as well as their management and data applications. Technical management and maintenance of IT platforms specialising in regulatory compliance in the financial sector. Financial messaging exchange for banks and companies.

Instituto BME holds the UNE-EN ISO 9001:2015 quality certificate issued by AENOR guaranteeing the quality of the services for the design and provision of training in the operation of financial markets that this company provides, as well as how it has become once again recognised for its quality and prestige at having been selected by the *CFA Society Spain* as an approved supplier for the *CAd (Certified Advisor)* certification, a seal that has allowed it to perform consultation tasks and provide financial information in Spain since 3 January 2017.

## New BME projects in 2020. (103 Indirect economic impacts)

In 2020, BME continued to develop products and services that meet the demands of market clients and users and the requirements of companies and financial market participants. The new services and products are described in the 2020 annual market report and in the press releases that are available to shareholders and investors on the BME corporate website [www.bolsasymercados.es](http://www.bolsasymercados.es).



## 4.2. USER PROTECTION AND PRIVACY.

(103: Client health and safety, 416-2, 418-1)

As the management body for Spanish financial markets and systems, BME is responsible for settlement participants in the markets and retail investors. Even though they are not direct clients, BME considers its position enables it to help them exercise their rights.

In BME's dealings with retail investors, of particular note are the services provided by the Investor Ombudsmen, set up and maintained by the stock exchange governing companies of Madrid, Barcelona and Valencia to aid and protect investors. The Investor Ombudsman handles queries and claims, attempts to prevent complaints and challenges being filed regarding transactions carried out on the stock exchange, and endeavours to provide conditions to clarify facts and concerns posed by investors and intermediaries between parties. When litigious claims are lodged, the Investor Ombudsman ascertains the details thereof and, if the individuals fail to reach an agreement with the stock market members, issues a non-binding final report resolving the claim.

With the aim of guaranteeing and protecting the rights of natural persons in respect of the processing of their personal data, BME Group companies are responsible for the data of their employees, contacts and clients. To such effect, BME complies with the legislation in force regarding Personal Data Protection and has a procedure in place to exercise the rights of access, rectification, cancellation and opposition. The compliance with the legislation concerning data protection and the management of the procedures deriving from its compliance are carried out by the Regulatory Compliance Department. The person responsible is the "Data Protection Officer" (DPO) the legal form of which is governed by the General Regulations on Data Protection. BME Group performs regular controls and external audits in order to guarantee the compliance with the obligations deriving from the legislation on the protection of personal data. In 2020 there were no complaints regarding breaches of privacy or losses of employee, contact or client data of BME Group companies.



Level of

**satisfaction**

of Instituto BME's students:

**8.5 out of 10**

### 4.3. USER EDUCATION.

As the manager of Spain's financial markets and systems, BME endeavours to actively participate in fostering the culture of finance in Spain. In this regard, it subscribes to the Organisation for Economic Co-operation and Development's Recommendation on Principles and Good Practices for Financial Education and Awareness.

Given its significant role in the financial markets, BME regards publicising and raising awareness of financial matters in the most accessible and comprehensive manner possible as another function of its business activity. This work is also an important channel for end clients and brokers in the markets to express their concerns, interests, demands and fears.

The importance BME attaches to education is reflected in Instituto BME, the sole activity of which is to organise educational services related to financial markets in general and issues directly related to products for BME's market and systems, through its educational programmes providing guidance and training in environmental, social and corporate governance matters. This educational activity is complemented by the action performed by the other companies of the Group.

Instituto BME facilitates the preparation of the MFIA certification exam, a benchmark accreditation designed to achieve technical excellence in the knowledge of markets and financial products issued by this BME Group company since 2015 and that is recognised by the CNMV for meeting the requirements established in its Technical Guide 4/2017.

In 2020, the training activities carried out by Instituto BME, which are available on its website [www.institutobme.es](http://www.institutobme.es), have been evaluated through questionnaires revealing a high level of satisfaction scoring above the 8.48 out of 10.

Finally, over the course of 2020, Instituto BME has imparted a total of 27 hours of training divided into 23 free sessions called "Covid 19 Sessions" y aimed at the general public, focussing on the subject of markets and financial products and technology applied to financial markets, with 1,380 people attending these sessions in total.

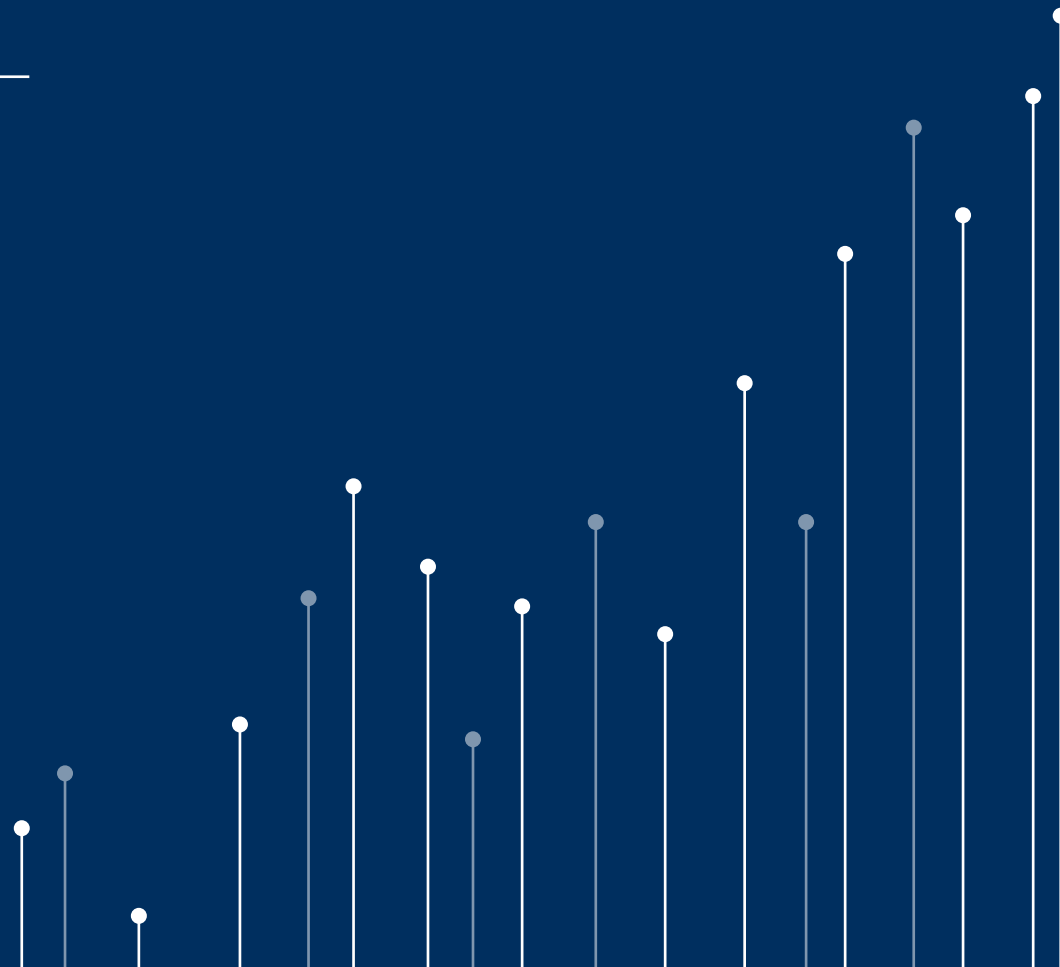


Virtual opening of Instituto BME's MFIA.

# 5. Human Capital

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- 5.1. Employee profile.
- 5.2. Collective agreement and employee representation.
- 5.3. Our team. Diversity and equality.
- 5.4. Employee engagement best practices.
- 5.5. BME Group employee training.
- 5.6. Occupational health and safety.



Based on the perimeter set out at the start of this report, employee data included in this consolidated non-financial information statement for 2020 refers to BME Group's workforce and to the workforce of Open Finance, SLU, which manages its workforce separate from the rest of BME Group employees. As a new feature of this report, the data on BME Latam SAS and LATAM Exchanges Data Inc employees has been included in the data on BME Group employees for 2020 and, for the purposes of comparison, for 2019; this has required the restatement of employee information for 2019 that was included in the non-financial information statement for 2019.

Therefore, BME Group Human Resources Area which works to ensure the professional and personal development of this Group employees by constantly improving the services and activities offered to them, their training and professional development programmes, and the technical tools available to streamline any procedures, consultations or requests they may have, acts according to the following principles:

- (i) the professional development of persons in a motivating work environment which ensures and respects the responsible contribution of each one of its employees;
- (ii) identifying and attracting the best professionals to perform the different activities of BME while ensuring the principles of equality and non-discrimination;
- (iii) retaining talent by promoting training, programmes and tools for all employees to improve their skills and abilities

- (iv) the internal recognition of the culture of effort, identifying specific objectives and granting the necessary autonomy in order to attain them within a framework that recognises the goals achieved, and
- (v) the promotion of project-based work of a transversal nature involving different areas for their completion.

The BME Group Director of Human Resources oversees this area and coordinates and supervises, among other aspects, compliance with the legislation relating to employment matters, occupational health and safety of the employees it is responsible for and the corresponding training plans, plans prepared by the Head of Training. Furthermore, the Managing Director of Open Finance, SLU manages, directly and separately from BME Group staff, compliance with the regulations in relation to employment, safety and occupational health aspects of this Company's employees. (103: [Employment](#))

In respect of the foregoing, BME did not receive any significant fines or sanctions relating to the non-compliance of social matters. (103: [Socio-economic compliance, 419-1](#))

Likewise, after completion of the takeover bid of BME by SIX Group to which reference has been made throughout this report, the CEOs and senior management of both corporate groups have held several meetings with all the employees of both groups to inform them of the results of the operations and the start of the various integration processes that were going to be launched in the short and medium term.

## 5.1. EMPLOYEE PROFILE.

(102-8, 401-1, 405-1)

The employee data set out in this report refers on aggregate to BME Group employees and Open Finance, SLU. employees, which manages its workforce separate from the rest of BME Group employees.

### WORKFORCE BY GENDER.

AS AT 31 DECEMBER 2020



### WORKFORCE BY GENDER.

AS AT 31 DECEMBER OF EACH YEAR

	2019	2020
Women	301	300
Men	499	498
<b>Total</b>	<b>800</b>	<b>798</b>

### EMPLOYEES BY GEOGRAPHICAL AREA AND GENDER.

AS AT 31 DECEMBER OF EACH YEAR

	2019	2020
<b>Madrid (Spain)</b>	<b>618</b>	<b>613</b>
Women	240	238
Men	378	375
<b>Barcelona (Spain)</b>	<b>83</b>	<b>78</b>
Women	24	25
Men	59	53
<b>Bilbao (Spain)</b>	<b>29</b>	<b>27</b>
Women	10	10
Men	19	17
<b>Valencia (Spain)</b>	<b>66</b>	<b>75</b>
Women	25	25
Men	41	50
<b>Miami (USA)</b>	<b>1</b>	<b>1</b>
Women	0	0
Men	1	1
<b>Bogotá (Colombia)</b>	<b>3</b>	<b>4</b>
Women	2	2
Men	1	2

**EMPLOYEES BY GENDER, AGE AND PROFESSIONAL CLASSIFICATION.**

AS AT 31 DECEMBER OF EACH YEAR

	2019			2020		
	Men	Women	Total	Men	Women	Total
Senior management	7	2	9	7	2	9
Middle management	36	19	55	35	20	55
Specialist technicians	299	196	495	302	193	495
Administrative/Auxiliary/Support	157	84	241	154	85	239
<30	47	39	86	56	37	93
30 - 50	285	173	458	288	177	465
>50	167	89	256	154	86	240



NUMBER OF EMPLOYEES BY CONTRACT TYPE . <sup>(1) (2)</sup>

AS AT 31 DECEMBER OF EACH YEAR

	2019			2020		
	Men	Women	Total	Men	Women	Total
<b>Annual average of permanent contracts by gender, age and professional category.</b>						
Senior management	7.58	1.67	9.25	7.00	2.00	9.00
Middle management	37.42	18.08	55.50	33.42	18.50	51.92
Specialist technicians	296.17	187.50	483.67	292.50	188.92	481.42
Administrative/Auxiliary/Support	155.42	79.50	234.92	150.83	80.83	231.67
<30	43.00	30.00	73.00	45.42	32.33	77.75
30-50	288.08	173.67	461.75	287.25	175.50	462.75
>50	165.50	83.08	248.58	151.08	82.42	233.50
<b>Annual average of temporary contracts by gender, age and professional category</b>						
Senior management	0.00	0.00	0.00	0	0	0.00
Middle management	0.00	0.00	0.00	0	0	0.00
Specialist technicians	0.17	0.00	0.17	0.08	0	0.08
Administrative/Auxiliary/Support	12.08	11.83	23.92	4.75	4.75	9.50
<30	11.83	10.42	22.25	4.75	3.92	8.67
30-50	0.25	1.42	1.67	0	0.83	0.83
>50	0.17	0.00	0.17	0.08	0	0.08

(1) The annual average of both permanent and temporary contracts has been calculated as the average of the permanent/temporary contracts for each over the course of the year.

(2) During 2019, from 18 November 2019 to 31 December 2019, one male employee was employed on a part-time contract; this specialised technician was aged over 50. In 2020, no workers were employed on a part-time basis and all full-time contracts have been permanent contracts.



## PERMANENT EMPLOYEES BY CONTRACT TYPE.

	2019	2020
Full-time contract	799	798
Part-time contract	1	0
<b>Total</b>	<b>800</b>	<b>798</b>

## CONTRACTED AND SUBCONTRACTED WORKFORCE.

	2019	2020
Contracted employees	800	798
Subcontracted employees	113	113
Employees and management hired locally	100%	100%

## EMPLOYEES WITH DISABILITIES. (\*)

AVERAGE NUMBER OF EMPLOYEES WITH A DISABILITY OF 33% OR MORE

	2019	2020
Senior management	0	0
Middle management	0	0
Specialist technicians	4.17	5.08
Administrative/Auxiliary/Support Staff	1.83	1
<b>Total</b>	<b>6.00</b>	<b>6.08</b>
<b>Employees with disabilities with permanent contracts</b>	<b>100%</b>	<b>100%</b>

(\*) All BME Group companies and Open Finance SLU, which employs more than 50 people, have certificates of exception or comply with the contents of Royal Legislative Decree 1/2013, of 29 November, approving the Consolidated Text of the General Law on the rights of people with disabilities and their social inclusion.

## NUMBER OF DISMISSALS.

	2019	2020
<b>By gender</b>		
Women	1	0
Men	2	1
<b>By age</b>		
<30	0	0
30-50	2	0
>50	1	1
<b>By professional classification</b>		
Senior management	0	0
Middle management	0	0
Specialist technicians	2	0
Administrative/Auxiliary/Support	1	1

EMPLOYEE HIRES AND DEPARTURES BY GENDER. <sup>(\*)</sup>

(401-1)

	New hires		Employee departures	
	2019	2020	2019	2020
<b>Total</b>	<b>42</b>	<b>57</b>	<b>70</b>	<b>59</b>
<b>Breakdown by gender</b>				
Men	28	41	52	42
Women	14	16	18	17
<b>Breakdown by age range</b>				
<30	10	3	16	8
30-50	29	54	24	11
>50	3	0	30	40
<b>Breakdown by geographic area</b>				
Madrid (Spain)	27	32	51	38
Barcelona (Spain)	0	6	4	11
Bilbao (Spain)	0	0	1	2
Valencia (Spain)	14	18	14	8
Miami (USA)	0	0	0	0
Bogotá (Colombia)	1	1	0	0

<sup>(\*)</sup> The figures in the above table take into consideration the effective hire and departure dates of Group company employees. Transfers between these companies do not consider hires or departures.

EMPLOYEE HIRE RATE (%). <sup>(\*)</sup>

	2019	2020
<b>Total Workforce</b>	<b>5.26%</b>	<b>7.14%</b>
<b>Breakdown by gender</b>		
Men	5.63%	8.23%
Women	4.65%	5.33%
<b>Breakdown by age range</b>		
<30	25.64%	3.23%
30-50	16.76%	11.61%
>50	3.37%	0.00%
<b>Breakdown by geographic area</b>		
Madrid (Spain)	4.38%	5.22%
Barcelona (Spain)	0.00%	7.69%
Bilbao (Spain)	0.00%	0.00%
Valencia (Spain)	21.21%	24.00%
Miami (USA)	0.00%	0.00%
Bogotá (Colombia)	33.33%	25.00%

<sup>(\*)</sup> The employee hire rate has been calculated using GRI Standard criteria: number of hires among total workforce at year-end.

## EMPLOYEE TURNOVER RATE (%). (\*)

	2019	2020
<b>Total Workforce</b>	<b>15.66%</b>	<b>7.39%</b>
<b>Breakdown by gender</b>		
Men	10.46%	8.43%
Women	5.98%	5.67%
<b>Breakdown by age range</b>		
<30	41.03%	8.60%
30-50	13.87%	2.37%
>50	33.71%	16.67%
<b>Breakdown by geographic area</b>		
Madrid (Spain)	8.28%	6.20%
Barcelona (Spain)	4.82%	14.10%
Bilbao (Spain)	3.45%	7.41%
Valencia (Spain)	21.21%	10.67%
Miami (USA)	0.00%	0.00%
Bogotá (Colombia)	0.00%	0.00%

(\*) The employee turnover rate has been calculated using GRI Standard criteria: number of departures among total workforce at year-end.

## 5.2. COLLECTIVE AGREEMENT AND EMPLOYEE REPRESENTATION .

(102-41)

All BME Group employees who provide their services in Spain are subject to the state Statutory Collective Agreement for Companies Sharing Organisational and Productive Factors Corresponding to the period 2018-2020, which regulates the employment relationships between different companies of BME Group and its employees, with exception to the employees of the Barcelona stock exchange and the Bilbao stock exchange, which are regulated by their own Collective Agreements, the clauses of which are equivalent in all their aspects (social benefits, rights and obligations of the employees and any other concepts). The content of the referred to Collective Agreements includes, inter alia, the principles and policies regarding management, training, equality and non-discrimination and diversity of the employees, are available to employees in the HR intranet.

The agreements corresponding to 2018-2020 classify employees into professional groups A, B, C, D and E, which relate to "senior management", "middle management", "specialised technicians", "administrative staff" and "auxiliary/support staff", respectively. This group classification is applied to the data as at 31 December 2019 and 2020 included in the tables in this report.

Furthermore, Open Finance, SLU employees are subject to the Collective Agreement of Offices applicable to the province of Valencia dated 30 November 2015, which tacitly extends to and classifies employees into six professional groups (first, second, third, fourth, fifth and sixth). With a view to reporting the data corresponding to Open Finance, SLU employees and BME Group employees on an aggregate basis, an equivalence has been established between the professional groups of Open Finance, SLU and the BME Group following competence criteria.

### EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS (%). <sup>(1)</sup>

	2019	2020
<b>Percentage of BME Group employees covered by Collective Agreements</b>	<b>100.00%</b>	<b>100%</b>
Statutory Collective Agreement for Companies Sharing Organisational and Productive Factors	90.68%	92.00%
Collective Agreement of Sociedad Rectora de la Bolsa de Valores de Barcelona	3.92%	3.72%
Collective Agreement of Sociedad Rectora de la Bolsa de Valores de Bilbao	5.41%	4.28%
<b>Percentage of Open Finance SLU employees covered by Collective Agreements</b>	<b>100.00%</b>	<b>100%</b>

*(1) All employees of BME Group companies and Open Finance, SLU that are within the scope of this non-financial information statement are located in Spain, with the exception of BME Latam SAS and LATAM Exchanges Data Inc, whose employees are not subject to collective agreements pursuant to the Spanish regulations.*

Pursuant to the legislation, BME informs workers' representatives of the job situation and structure in the various work centres, and of any decisions taken by BME that could lead to significant changes in the organisation of the work or work contracts within the company. There were no labour disputes in 2020 with the workers' representative. Likewise, over the course of the year, the workforce did not undergo any significant changes in total volume, beyond the departures resulting from mandatory retirement after the amendment to the collective agreement due to compliance with the age legally established in accordance with the provisions of Royal Decree-Law 28/2018 of 28 December.

The Company has created an Interpretations and Monitoring Committee for the Collective Agreement, the main function of which is to interpret the application of the clauses of the Agreement, study developments in relationships between the parties, arbitrate in the event of problems or questions arising from the application of the Agreement, and supervise the possible process of extending the Agreement to those group companies not currently party thereto.

### 5.3. OUR TEAM. DIVERSITY AND EQUALITY.

(103: Diversity and equal opportunities)

BME Group, pursuant to the provisions of Chapter III of Organic Law 3/2007 of 22 March 22 for the effective equality of women and men, as amended by Royal Decree-Law 6/2019, of 1 March, on urgent measures to guarantee equal treatment and opportunities between women and men in employment and occupation, created the Equality Plan Negotiating Commission in 2019 with a view to starting the negotiation of Equality Plans at BME Group companies with more than 50 workers, following the diagnosis submitted by the Commission for its study and for the subsequent preparation of an Equality Plan. On the date of approval of this report, BME Group companies with more than 50 workers had yet to approve the Equality Plans; notwithstanding the foregoing, BME Group companies promote and guarantee a work environment free from discrimination, structured around the principles of respect and equal opportunities among its employees in their personal and professional lives, regardless of their gender, race, religion, age, sexual orientation, nationality or disabilities, in addition to guaranteeing the universal accessibility of this last group through periodic controls.

In this manner, the company's practices for selection, recruitment, remuneration, promotion, training, classification and working conditions follow the criteria of merit and capability in relation to the post's requirements, as highlighted with the measures adopted by BME to promote diversity, equal opportunities and prevent discrimination as detailed in this report.

In addition, as in previous years, BME has promoted International Women's Day by Ringing the Bell for Gender Equality at an event to which a hundred professionals from the world of finance were invited. There was also a very good representation of both male and female employees.



Ring the Bell for Gender Equality in the Madrid stock exchange.

### Diversity and equal opportunities. (103: Non-discrimination)

BME Group not only encourages equality, diversity and the individuality of each employee, but has also fully implemented the labour practices outlined in the United Nations Universal Declaration of Human Rights and its protocols. In this regard, the group adhered to the United Nations Global Compact in 2011.

The commitment to gender equality permeates all BME Group's human resources management procedures, such as hiring, recruitment, training, performance evaluation, promotion, compensation, working conditions, work/life balance and communications. With this in mind, BME has a Joint Equality Commission to study and, where necessary, implement possible measures concerning equality at BME Group companies.

BME Group recruitment and hiring procedures ensure equal opportunities and eradicate any discriminatory treatment, both in terms of physical access to work stations and with respect to occupying different positions within the company. Furthermore, personnel are selected through internal processes that ensure confidentiality, independence and equal opportunities pursuant to the procedure approved on 28 January 2019, and then through external channels. In 2020 there were no cases of any incidents at BME relating to discrimination or reports of human rights violations. (406-1) Notwithstanding the foregoing, as a continuation of the information provided in the non-financial information statement for 2019 regarding the complaint at criminal law filed in 2019 by an employee of the BME Group against the Chairman of the Board of Directors and the CEO of BME alleging the possible commission of a crime against moral integrity in the field of labour relations (labour harassment), Section 5 of the Provincial Court of Madrid has dismissed the appeal filed against the order of the Investigating Court No. 48 of

Madrid by which the provisional dismissal of the corresponding preliminary proceedings was decided. In this procedure, the same Chamber of the Provincial Court of Madrid has dismissed the appeal filed by the employee against the order by which the Investigating Court denied the reopening of the preliminary proceedings and the extension of the initially rejected complaint requested later by the complainant. On the other hand, the same employee has filed a lawsuit against the Company and another company of the BME Group for void dismissal for violation of fundamental rights and, alternatively, inadmissible dismissal, which has been fully dismissed by the 38 Social Court of Madrid.

BME has an "Internal Protocol in cases of presumed workplace and sexual harassment", which has been made permanently available to employees on BME's intranet with a view to ensuring the protection of the fundamental rights of all BME Group employees, to ensure zero tolerance and the prohibition of behaviour that may be considered as harassment. The Protocol also includes a procedure for action against signs of workplace or sexual harassment, which indicates the reporting channels to be used for their correct notification and management. During 2020, no reports were received in relation to signs of workplace or sexual harassment.

Lastly, BME upholds human rights in the performance of company activities in a manner that requires suppliers rendering security services at BME offices to provide training for their staff in this field. Given the lack of risk in this area, BME has made no significant investment in which clauses relating to human rights were included (103: Human rights screening, 412-3).

### Career development and remuneration policy.

BME encourages the development of BME Group employees through the internal recognition of talent, rewarding good results and observing the culture of individual effort in an environment of compensation commensurate to performance.

#### **(i) Career advancement.**

BME Group employees can advance professionally and be promoted to higher levels within their professional group by achieving targets in three main areas: annual performance assessment, training, and length of service at current level.

#### **(ii) Remuneration policy for employees and executives** (103: Diversity and equal opportunities, 102-36, 102-38, 102-39, 405-2)

BME Group employee's remuneration policy, referred to in section 2.5 of this report, responds to the objective of providing the Group suitable procedures to align the market trends concerning remuneration with the strategic objectives of the business.

The main elements of the Remuneration Policy for BME Group employees, the concepts of which are established in the applicable Collective Agreement, ensure equal remuneration for posts with equal characteristics, namely:

- a) The fixed remuneration which comprises a base salary established in the applicable Collective Agreement and a personal complement which remunerates, without any form of discrimination, the professional track record, the responsibility inherent in the post, the level of professionalism exercised and determined by the content of the post held. The remuneration regime of the base salary included in the Collective Agreement of application guarantees the absence of remuneration differences for this item between men and women.
- b) The annual variable remuneration that a group of identified professionals may receive, according to the professional level and post held and dependant on the individual and area targets achieved, the aim of which, in the medium term, is to attract, retain and obtain the commitment of mainly the directors and prominent persons of the Group, ensuring the establishment of a stable bond and with a view to remaining with the company for a long period of time



c) Social benefits. The employees subject to the collective agreements of BME, Barcelona Stock Exchange and Bilbao Stock Exchange, also have a series of social benefits through which it is aimed to obtain a balance between personal and work life, mainly through financial support (aid for physically and mentally disabled children and attention to diversity, grants for the employees' children, nursery vouchers, assistance for employees' studies and their children's, baby bonus, wedding bonus, interest-free salary advances, personal loans, benefits for disabled employees).

The correct application of the measures contained in the remuneration policy for employees of the BME Group has made it possible to reduce the salary gap in 2020 compared to 2019 in all professional categories.

#### GENDER PAY GAP. <sup>(\*)</sup>

(405-2)

	2019	2020
Senior management	1.21	1.02
Middle management	1.24	1.14
Specialist technicians	1.11	1.04
Administrative/Auxiliary/Support Staff	1.12	1.06

<sup>(\*)</sup> The salary gap has been calculated as the relationship between the average remuneration of men and the average remuneration of women, by professional category. The calculation of these averages takes into account the number of days the worker has formed part of the company during the year, the daily remuneration received for the period and the number of employees at the close of the period.

#### AVERAGE REMUNERATION. <sup>(\*)</sup>

(THOUSANDS OF EUROS)

	2019	2020
<b>Breakdown by gender</b>		
Men	67.82	70.08
Women	58.21	62.23
<b>Breakdown by age range</b>		
<30	31.60	33.49
30-50	54.60	57.90
>50	92.53	98.03
<b>Breakdown by category</b>		
Senior management	309.13	473.53
Middle management	179.62	178.10
Specialist technicians	59.66	60.83
Administrative/Auxiliary/Support Staff	38.05	39.32

<sup>(\*)</sup> To calculate average remuneration, the actual remuneration received by the worker from BME (fixed remuneration, actual variable remuneration received, corresponding to the previous year, and remuneration in kind) and the number of days that he/she worked for the company during the year have been used. The number of employees considered reflects the total at the end of the year.

## 5.4. EMPLOYEE ENGAGEMENT BEST PRACTICES.

### Work-life balance policy and social benefits. (103: Employment)

BME promotes employment flexibility and work-life balance for its permanent and temporary workers through a number of initiatives: unpaid and paid leave and working day reductions for legal guardianship and nursing mothers.

Other work/life balance measures benefiting all temporary and permanent BME Group employees include flexible start and finish times, a 5.5-hour working day on Fridays and the days before public holidays, and the possibility of requesting holidays at any time and split over different periods.

Similarly, the number of overtime hours per employee, which is voluntary, may not exceed 80 hours a year, except for those hours worked to prevent or repair accidents or other occasional and urgent damage, without this affecting their remuneration as overtime hours. BME aims to ensure the most extensive rotation possible among the workers affected by overtime hours, therefore preventing, insofar as is possible, that the same people are always affected.

During 2019, BME offered employees who so requested with the option of working totally or partially from home; in these cases, they are required to remotely record their start and end times using the register enabled to this end on "Human Resources Online"; this process must be completed pursuant to the Attendance Control Manual approved by Human Resources.

Furthermore, due to the Covid-19 pandemic and in line with health recommendations, from March 2020 until the end of 2020 and on the date on which this report was approved, employees worked remotely, meaning that more than 93% of the Company's employees and its subsidiaries were able to guarantee the continuity of the company's activities by working safely from home. As a result, in June 2020 BME approved a series of measures, good practices and requirements that must be observed when working remotely while the exceptional and extraordinary current circumstances persist and until the Company considers it appropriate to return to the usual method of work, to ensure that those working from home are able to go about their duties in the most satisfactory way possible.

Furthermore, in line with Article 88 of Organic Law 3/2018, of 5 December on the protection of personal data and guarantee of digital rights and in line with the best practices in relation to the digital transformation of work, in 2020 BME approved its disconnection from work policy that regulates the right of workers to digitally disconnect in the workplace.

### Other services and activities.

#### *(i) Services for employees.*

During the first two months of 2020, in which the state of alarm had yet to be declared as a result of the Covid-19 crisis, BME provided its employees with various services to facilitate their access to the workplace and allow them to perform their duties more comfortably, such as a restaurant service, travel agent to organise trips and private holidays, educational activities, shows, workshops and games for the employees' children, as well as special conditions for different services provided by third parties.

Since 2018, the Company has had BME Conecta, a mobile app for employees, from which employees can access a variety of human resources functionalities online and other services aimed at employees.

#### *(ii) Sport and leisure activities.*

During 2020, as a result of the health crisis generated by Covid-19, all sporting and recreational activities that BME usually organises and sponsors were suspended.

## 5.5. BME GROUP EMPLOYEE TRAINING.

(103: Training and education, 404-1, 404-2)

BME sets out its commitment to employee training in article 26, section b), of the statutory Collective Agreement, whereby *“it shall foster plans to improve the training and advanced professional training of its workers, guaranteeing the possibility of training for all employees”*.

The Human Resources Department encourages and promotes the training of employees through the Training Plan, which is carried out both in a classroom setting and on-line, it also has specific training programmes and other complementary courses related directly to the business objectives which contribute directly to the professional and personal development of the employees. A Training Committee and Training and Development Department, with the involvement of workers' union representatives, have been set up to improve the quality of the Training Plan and identify training needs.

### NUMBER OF COURSES CARRIED OUT UNDER BME GROUP'S CONTINUOUS TRAINING PROGRAMME. <sup>(1) (2)</sup>

	2019	2020
<b>Continuous Training Programme is structured</b>	<b>107</b>	<b>82</b>
User applications area	18	2
Skills development area	9	5
IT area.	39	32
Financial markets and financial assets area	41	29
Technical Specification	-	14

(1) The BME Group Continuous Training Plan is aimed at BME Group employees, without actions imparted to BME Group companies, BME Latam SAS and LATAM Exchanges Data Inc employees in 2020.

(2) These figures do not include language training or training through Master's programmes, nor personalised or specific training. Nor do they include regulatory/mandatory training, including the "BME 2020 Data Protection" course.



Comprehensive  
**personal  
development  
plan**



Creation of the  
**BME@Learning  
training platform**  
for employees



**24.7 training  
hours**

per **employee** in 2020



In addition to this training under the Continuous Training Programme, other courses are organised as necessary to meet specific business needs.

In 2020, BME Group has consolidated the Integrated Personal Development Plan known as “Activate!” aimed at the entire organisation and that seeks to detect and personalise the training needs and development concerns of employees and promote the generation of ideas that drive the development of the 2019-2020 Strategic Plan. This Plan was launched in 2019 in the form of the Training Needs Pre-Detection Questionnaire which allowed the Human Resources department to define a new Training Plan for 2020 and 2021 and define the individual needs and interests with the objectives of the different areas of the Company. In turn, within the scope of the aforementioned Integrated Personal Development Plan, the BME PRO programme was launched at the start of 2020, aimed at professionals with a profile considered strategic to BME, starting with high-potential profiles and the Idea Project as a one-stop shop for submitting initiatives to launch new projects and create new lines of work or improve current lines of work that contribute to the progress, evolution and growth of the company.

Furthermore, in 2020, following the implementation of the Continuity and Contingency Plan prepared as a result of the Covid-19 crisis, the training imparted in person at any of the BME work centres or supplier facilities was suspended or converted into an online classroom alternative, with only online distance training imparted, which has led to a reduction in the number of training hours received by BME Group employees. In light of the above, the Company created the BME@Learning Platform in 2020; this new online training space features courses on various topics, such as skills, well-being, management, leadership. This platform has also served as a means of including all employees when launching mandatory corporate training.

EMPLOYEE TRAINING BME GROUP. <sup>(1) (2)</sup>

	2019			2020		
	Men	Women	Total	Men	Women	Total
<b>Number of employee training hours (by professional category)</b>						
Senior management	0.00	0.00	0.00	0.00	0.00	0.00
Middle management	71.50	100.50	172.00	52.50	182.80	235.30
Specialist technicians	3,756.00	1,792.70	5,548.70	3,197.27	1,025.53	4,222.80
Administrative/Auxiliary/Support Staff	3,545.29	1,161.23	4,706.52	2,364.14	844.60	3,208.74
<b>Average employee training hours (by professional category) <sup>(3)</sup></b>						
hrs/employee - senior management	0.00	0.00	0.00	0.00	0.00	0.00
hrs/employee - middle management	17.88	14.36	15.64	6.56	15.23	11.77
hrs/employee - specialised technician	29.81	25.25	28.17	14.34	11.15	13.41
hrs/employee - administrative/auxiliary staff	32.23	25.81	30.36	13.28	9.94	12.20

hrs/employee - administrative/auxiliary staff

(1) The BME Group Continuous Training Plan is aimed at BME Group employees, without actions imparted to BME Group companies, BME Latam SAS and LATAM Exchanges Data Inc employees in 2020.

(2) These figures do not include language training or training through Master's programmes, nor personalised or specific training. Nor do they include regulatory/compulsory training, such as the "BME 2020 Data Protection" course. During the year 2020, no specific anti-corruption training has been provided to employees, notwithstanding the above, during the year 2020, a course on Prevention of Criminal Risks and Phishing has been started and will end in 2021, without having been accounted for this reason in the 2020 training data.

(3) The calculation of the average training hours is based on the number of hours of training given to each trained employee, by professional category.

As previously mentioned in section 2.4 of this report, BME is adhered to the system that the State Foundation for On-the-Job Training makes available to all companies and which consists of financial aid for the training of its employees which is made effective by way of a Social Security contribution credits.

BME Group also has a library service allowing employees to take out books and periodicals. This keeps employees abreast of the latest publications, legislation and documents relating to stock market issues. The library also processes requests for information. BME employees have online access to the Library and Documentation Service catalogue through the company's intranet which provides specific and regular information on projects and actions in different Group companies and departments, as well as on events carried out by the company.

## 5.6. OCCUPATIONAL HEALTH AND SAFETY.

(103: Occupational health and safety, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7)

Although BME does not have a health and safety management system that is aligned with the international certification standard, it has established the health, safety and risk prevention measures contemplated in the Law on Occupational Health and Safety at all its work centres and each year it carries out an analysis of the risks at its installations and its employees' workplaces. With the collaboration of its employees, through their legal representatives, and the internal bodies specifically entrusted with this issue, BME draws up a programme to address the risks detected and the needs identified proposing and implementing the corresponding preventive measures, such as training, information, personal protection equipment and routine checks.

Employees participate in the planning and control of the measures adopted concerning occupational health and safety through their legal representatives and the specific internal participation bodies, which is regulated in the statutory Collective Agreement. Thus, BME has established the following health and safety committees, which monitor and advise on occupational health and safety issues. These committees represent 100% of staff and are made up of both management staff and employees. *Health and Safety Committee, Evacuation Team, Emergencies Team and First Aid Team*. In particular, the Health and Safety Committee has a dedicated e-mail for the health and safety and prevention officers of BME Group as a mechanism so that complaints and/or suggestions relating to health, comfort and ergonomics in the workplace and other safety aspects may be communicated.



Covid-19 prevention.



### Health and safety measures resulting from the protocols for managing the Covid-19 health crisis.

During 2020, the expansion of Covid-19 has required additional efforts from the entire organisation to maintain business continuity and adapt the performance of work to the lockdown of employees; this was rolled out successfully and in record time thanks to the dedication and effort demonstrated by all teams, areas and departments.

Even before the health crisis caused by Covid-19, BME had approved a procedure as part of the “Continuity Plan” that had been specially designed to manage this type of situation and that allowed measures to be taken; additionally, the “Business Continuity Plan” was activated before the state of alarm was even declared. During 2020, the Crisis Committee and the Continuity and Risk Committee, responsible for closely watching the situation, compiled all the measures established in the “Continuity Plan”, adapting them to specific requirements of Covid-19 and creating a single reference framework for crisis management, fundamentally divided into the De-escalation Plan and the Covid-19 Management Procedures:

- The De-escalation Plan establishes the different phases for the return to normality and the corresponding occupancy limits and main associated restrictions, in addition to defining the health and safety protocols that must be followed in the day-to-day management of the crisis

Since 29 June 2020, BME Group and Open Finance SLU employees have been in phase 1 of the de-escalation process, with more than 93% of staff working remotely; the Crisis Committee has decided to maintain this situation until at least January 2021 and review it periodically.

- The Covid-19 management procedures can be broken down into a positive case management procedure, access management procedure and event management procedure:
  - The procedure for managing a positive case sets out the action protocol in the event a positive case or suspected case is detected among workers.
  - The access management procedure defines the process for requesting, reviewing and approving all physical access to the Group’s facilities.
  - The event management procedure establishes all the additional security measures and requirements needed to host events during the crisis.

Furthermore, as a continuation of these contingency and prevention protocols implemented at BME to deal with Covid-19, and with a view to safeguarding the health and safety of all workers, thus guaranteeing a stable and safe work environment, during 2020 BME facilitated, through the External Prevention Service (Cualtis), serological tests for all staff, consisting of taking a blood sample that makes it possible to both detect the presence of Covid-19 virus and to measure and check for the presence of antibodies.

In addition, through the health policy service provider contracted by BME (Mapfre) and insurance company AON, an online health service has been made available to all employees as part of which they can make video calls with a general practitioner to answer questions about coronavirus or other types of queries and access a medical assistance service in the form of a chat feature with professionals specialising in different fields of medicine.

### Workplace safety.

BME draws up its workplace safety policy on a yearly basis, carrying out the necessary studies and projects to define the most significant risks, either in terms of seriousness or frequency, and implements effective prevention and protection systems. Furthermore, it provides all employees, through Human Resources Online, with details of the members of the Evacuation, Emergency and First Aid teams, and includes the Health and Safety in Offices Manual; it also sets out the general recommendations regarding the prevention of occupational risks when working remotely.

Workplace risk prevention programmes are implemented at all BME centres, and regular testing, as well such as fire drills, is carried out in order to prevent workplace risk.

### Employee health. (403-9, 403-10)

Despite the professions of BME employees, with the exception of maintenance, not having a high occurrence or risk of disease, BME provides its employees with a healthy working environment. To that end, BME has a Health Monitoring Programme through which it provides information and training through initiatives including but not limited to the “Choose Health Channel” on the employee mobile app, BME Conecta. There is also a Physiotherapy Service and First Aid Kits located in the work centres with up-to-date instruments for providing immediate care in the case of a cardiac arrest (Automated External Defibrillators) and a Nurse Station, located in Las Rozas which is complemented by a telephone service which allows videoconference type calls to be made at all work centres.

In addition, BME provides workers with annual physical check-ups, and has contracted health insurance for all employees and their family members. These insurance plans cover medical care, surgery and hospital care in cases of illness or injury, in accordance with the terms and conditions and in respect of the insured risks. BME also organises yearly influenza vaccination campaigns.

FREQUENCY RATE. SEVERITY INDEX. OCCUPATIONAL DISEASE RATE, DAYS LOST AND ABSENTEEISM. <sup>(1)</sup>

2019								
Breakdown by region					Breakdown by gender			
	Madrid	Barcelona	Bilbao	Valencia	Total	Men	Women	Total
Injury rate (Frequency rate) <sup>(2)</sup>	6.75	0.00	0.00	0.00	5.16	3.49	8.06	5.16
Severity index	0.39	0.00	0.00	0.00	0.30	0.24	0.39	0.30
Occupational disease rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lost day rate <sup>(3)</sup>	38.93	0.00	0.00	0.00	29.80	24.32	39.28	29.80
Absenteeism	No. hours	1,8970.27	4,490.55	1,085.98	2,300.26	26,847.06	13,512.88	13,334.18
	Rate	1.83%	3.04%	2.14%	1.93%	1.98%	1.57%	2.69%
2020								
Breakdown by region					Breakdown by gender			
	Madrid	Barcelona	Bilbao	Valencia	Total	Men	Women	Total
Injury rate (Frequency rate) <sup>(4)</sup>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Severity index	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Occupational disease rate	0.98	0.00	0.00	0.00	0.76	0.00	2.03	0.76
Lost day rate <sup>(5)</sup>	3.75	0.00	0.00	0.00	2.90	0.00	7.69	2.90
Absenteeism	No. hours	15,718	2,573	2,650	402	21,343	14,387	6,956
	Rate	1.55%	2.03%	5.85%	0.33%	1.63%	1.76%	1.41%

(1) The calculation of these rates takes into account all employees who, over the course of the year, have worked for BME Group and Open Finance SLU (data on employees of BME Latam SAMA and LATAM Exchanges Data Inc. are not included as they are regulated by different legislation and are not material).

Furthermore, the definitions considered in the calculation of the health and safety indices are established in accordance with GRI Standards:

-Accident: Fatal and non-fatal accidents in the workplace.

- Occupational disease: Disease deriving from an employment related situation or activity.

-Days lost: Sick leave of an employee due to an accident or occupational disease.

-Absenteeism (hours): Number of hours employee absent from work due to a disability of any type, not only due to an accident in the workplace or occupational disease.

The formulas used for the calculation of the health and safety indices are as follows:

-Accident index with injury (Frequency rate):  $\text{No. accidents} \times 10^6 / \text{No. total work hours scheduled}$

-Severity index:  $\text{Days lost} \times 10^3 / \text{No. total work hours scheduled}$ .

-Occupational disease rate:  $\text{No. occupational diseases} \times 10^6 / \text{No. total work hours scheduled}$ .

-Days lost rate:  $\text{Days lost} \times 10^5 / \text{No. total work hours scheduled}$ .

-Absenteeism rate:  $\text{No. absenteeism hours} \times 10^2 / \text{No. total hours work scheduled}$ .

(2) In 2019, the accidents with injury suffered by BME Group employees totalled two accidents on the way to or from work due to traffic accidents and one fall in the workplace. They all involved women.

(3) During 2019, the accidents occurring represented a loss of 69 working days.

(4) During 2020, there were no accidents with injury.

(5) During 2020, no accidents occurred at BME Group that resulted in the loss of working days.

### Health and safety training.

The company provides its workforce with the appropriate training in health and safety matters. All new employees attend an online training course on workplace risk prevention measures and rules.

The First Aid Service, in partnership with the Human Resources and Corporate Communication Departments, informs regarding current blood donation campaigns and publishes informative Health Bulletins, in addition to offering employees theoretical/practical workshops on health and safety.

The personnel of the security companies hired by BME to manage the security of its buildings comply with all requirements under prevailing legislation governing the provision of security services and the protection of property, people and auxiliary services, and hold the quality certifications for their services issued by SGCS ICS Ibérica and AENOR.

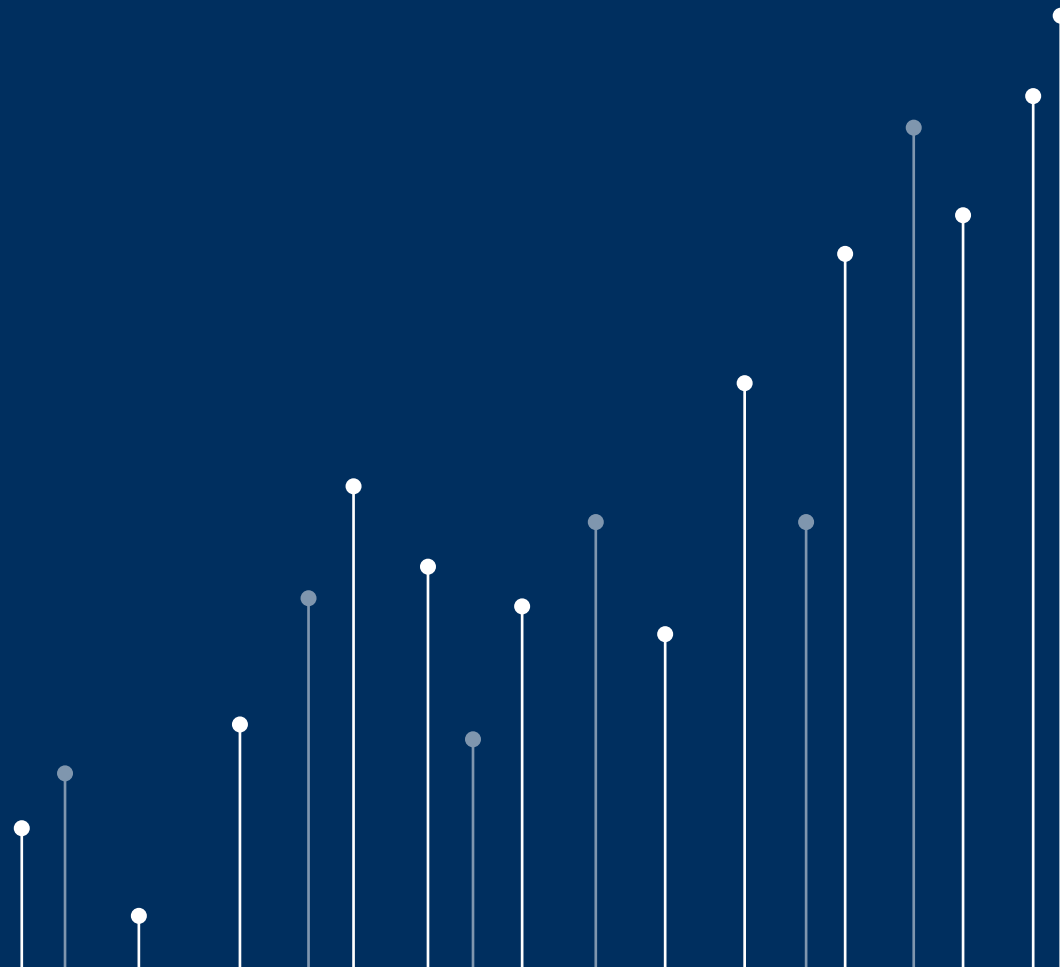
# 6. Suppliers

(103: Acquisition practices)

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6.1. Supplier profile.

6.2. Supply chain.



Suppliers are an essential aspect for BME Group companies and Open Finance SLU, providing them with the equipment, technical assistance and essential services for the efficient and sustainable performance of their activities.

BME has an objective of sustainable management in its supply chain through several processes with the aim of positively contributing to a respectful relationship with the natural environment and the elimination of forced or compulsory labour and to the abolition of child labour in the environment in which BME Group companies carry out their activities.



## 6.1. SUPPLIER PROFILE.

(102-9)

BME Group companies and Open Finance SLU whose operations are mainly carried out in Spain, with the exception of BME Latam SAS and LATAM Exchanges Data Inc, use suppliers located in Spain (local suppliers) that operate in the same geographical location where the purchase, service and billing are performed, maintaining a commitment to local employment and the sourcing of local products and services. In 2020, these companies used a total of 1,395 suppliers, of which 90.97% are local.

### SUPPLIERS.

	2019	2020
Local suppliers	1,331	1,269
Non-local suppliers	141	126
<b>Total</b>	<b>1,472</b>	<b>1,395</b>

Of the 1,395 suppliers used by BME Group Open Finance SLU in 2020, 91 were registered as new suppliers which belong to different sectors and represent 6.52% of the total.

Suppliers can be classified into the following categories: technological services (supply of IT equipment and solutions), support (consultancy, auditing, travel agencies) and maintenance (improvement and management of properties and facilities).



**90.97%**  
of local suppliers





## A) Volume of procurements. (204-1)

The total volume of purchases of goods and services in 2020 amounted to 86,551 million euros, up 41.28% on the previous year.

Of the total volume of purchases of goods and services, those made with local suppliers represented 70.57%, with no significant change in 2020 on the previous year.

During 2020, there was an increase in the volume invoiced by the suppliers of BME Group and Open Finance SLU because, as a result of the Covid-19 crisis, these companies acquired a significant amount of computer equipment allowing more than 93% of the workforce to perform their duties remotely since March 2020.

### INVOICING FOR SERVICES SUPPLIED BY EXTERNAL SUPPLIERS.

	2019	2020
Volume invoiced by suppliers (thousands of euros)	61,260	86,551
Local suppliers (%)	77.92	70.57
Non-local suppliers (%)	22.08	29.43

## B) Average supplier payment period.

As in previous years, BME settled the payment of its suppliers' invoices within the legally-established period. In 2020, the BME's average payment period was 65 days. In compliance with prevailing legislation to combat late payment in commercial transactions and corporate governance regulations, this information can be found on the Company's corporate website ([www.bolsasymercados.es](http://www.bolsasymercados.es)).

### AVERAGE PAYMENT PERIOD TO SUPPLIERS, IN DAYS.

	2019	2020
BME	43	65
Other group companies	35	36

BME has an internal Invoice Management procedure that includes the BME invoice management and authorisation system, from receipt of the invoice to its payment and archiving.

## 6.2. SUPPLY CHAIN.

(103: Environmental evaluation of suppliers, 103: Social assessment of suppliers, 102-10, 308-1, 414-1)

BME's activity is governed by a series of corporate values and ethical and socially responsible commitments, which BME seeks to encourage all suppliers in its supply chain to adopt. In this regard, BME Group, with the exception of Open Finance, SLU has implemented within its goods and services procurement process a series of mechanisms that aid the Company to continue developing a sustainable and responsible management of its own supply chain, defined as a series of activities through which products and services are supplied, which has not suffered any significant changes throughout 2020.

Furthermore, BME has a Procedure for the purchase of goods and the supply of technology services that contains the recommendations and guidelines for assessing a supplier of IT goods and services, before placing the order, and a Procedure for the control of goods and the supply of services and selection and assessment of suppliers that sets out the system established for all BME Group companies to select and assess suppliers, control goods and supply of services under the terms indicated below.

## SUPPLY CHAIN

The BME supply chain is implemented through the **"Order Authorisation System" (SI3)**, a centralised and organised system for the management and contracting of services out to external suppliers, which supports each of the phases of its products and services procurement process: requests, approval, budget control and payment management.

## PROFIT

- Automated and more efficient procurement process
- Strengthening of the organisation's cost management, by having an effective mechanism to control expenditure when engaging external services.
- Know the origin and geographical location of the product acquisition. In local products this allows a reduction in CO2 emissions.
- Identification and minimisation of potential supply chain risks due to the supplier's guarantee of regulatory compliance (economic, environmental, social and employment).
- Registered and unified information when exchanging continuous and direct information with those responsible for the product.

BME's suppliers must meet different quality standards depending on the type of products and services they offer, and must be responsible in their business practices and comply with all regulations governing their activity. BME develops concrete actions and measures that integrate environmental and sustainability aspects into the supply chain.

### Supplier selection

### Accreditation and evaluation

### Supplier monitoring

BME has an internal process for the purchase of goods and services, and the selection and evaluation of suppliers that is applicable to all Group companies.

#### CRITERIA AND MEASURES IMPLEMENTED

Signed declaration by suppliers stating compliance with the economic and technical aspects necessary to be hired, as well as environmental, social and employment regulations, occupational health and safety and human rights.

#### RESULTS

No supplier has been rejected or any contract cancelled due to a breach of any of the technical, professional or financial criteria set down in the declaration.

In 2020, 92 new suppliers signed the statement of compliance.

Initial accreditation and evaluation process with the support of the SI3 system of the level of compliance of new suppliers with an initial order worth in excess of €10,000 or where the goods or services are deemed critical (higher risk given the size of the purchase and/or the direct impact they have on the activities or services rendered to its clients).

#### CRITERIA AND MEASURES IMPLEMENTED

- Economic and technical criteria. Ensure that suppliers comply with the commitments undertaken:

- Economic and financial solvency
- Technical and human infrastructure
- Supply capacity
- Quality, after-sales service and
- guarantees
- Previous experience in BME Group companies
- Recognition on the market

- Environmental and sustainability criteria in their supply chain. The suppliers of services with a greater environmental impact have environmental and energy-efficiency certification (such as those providing the maintenance services of the facilities or the suppliers of IT office equipment).

- Measures to avoid fraud and corruption between the Company and intermediaries, such as requesting alternative quotations from other suppliers.

Monitoring process of registered suppliers verifying through regular reviews to ensure that the initial commitments undertaken remain in effect throughout the contractual relationship, and that the expected quality of the products or services is maintained.

#### CRITERIA AND MEASURES IMPLEMENTED

- Supplier assessment questionnaire for each product or service delivered.
- Detection, recording and follow-up of any incidents, delays or claims.

#### RESULTS

In 2020, 2,000 orders were placed with 376 suppliers eligible for assessment via SI3. However, 1,019 suppliers have provided services that were already budgeted and therefore, pre-authorised (pre-evaluated).

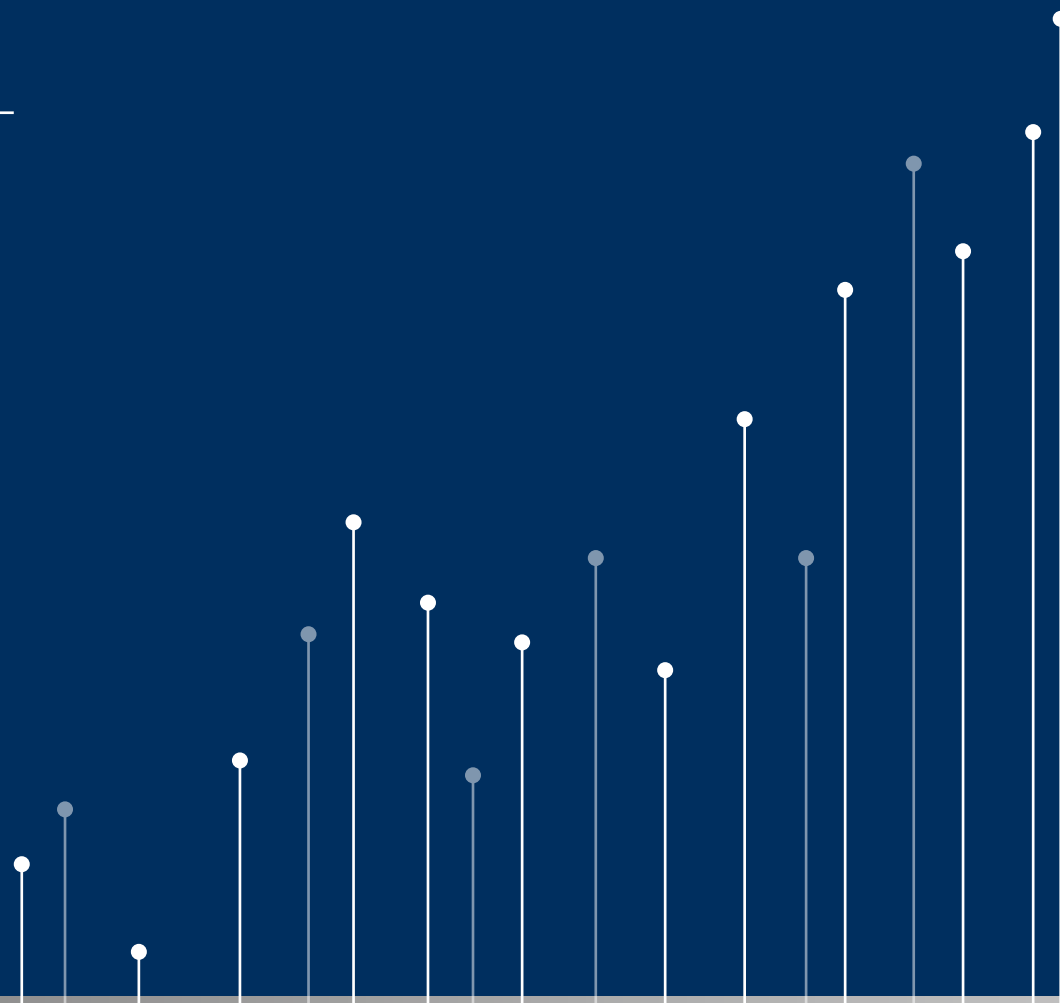
As a result of the evaluations carried out none of the orders were rejected.

# 7. Society

(103: Indirect economic impact) (413-2)

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- 7.1. BME in institutions.
- 7.2. Dissemination of financial knowledge.
- 7.3. Financial informative activity.
- 7.4. Other activities supporting the community.



BME Group companies and Open Finance SLU participate in the preservation and improvement of its traditional links with stakeholders, including the financial community and society as a whole.

As a result, BME Group maintains its commitment to the financial community and society as a whole through different actions referred to in the Corporate Social Responsibility Policy, available on BME's corporate website and developed upon in this report; furthermore, it improves the social and institutional relationships it maintains with its surroundings and the environment, in addition to offering a true and faithful image of the performance of its activities

#### MAIN ASPECTS OF BME'S PERFORMANCE WITH THE FINANCIAL COMMUNITY AND SOCIETY AS A WHOLE.



##### CULTURE AND SOCIAL ACTION

Invest in training and culture and socio-economic development for the benefit of the local community.

Promote financial culture and cultural activities and social action.



##### TRAINING

Collaborate with universities, educational centres and other relevant sectors of society.



##### LEADERSHIP AND TRUST

Commit to playing a key role in the economies of Spanish and Latin American companies through the Latibex market.

Foster confidence in the Spanish financial system.

Ensure the good functioning in the markets.



##### FINANCING AND LIQUIDITY

Establish a channel of financing and liquidity for companies, in particular SMEs.



##### THE ENVIRONMENT

Take care of the environment: management of its activities in a sustainable manner and the monitoring of its greenhouse gas emissions.

Despite the fact that the Company's actions have no negative impact on the local communities in which it operates, BME and Group companies harness the positive impacts on the communities in which they operate and focus their efforts on responding to the needs and expectations of stakeholders. With this in mind, the BME Group takes whatever action it deems necessary to

ensure legal compliance and assess and mitigate the negative impacts that its activities could have on local communities and undertakes other activities to support the community such as the promotion of cultural institutions and events and the promotion of other social actions to the benefit of the local community, all as described in this chapter. [\(103: Indirect economic impact\)](#)

## 7.1. BME IN INSTITUTIONS.

(102-13)

	Holds position (1)	Participates in project (2)	Is a member (3)	Makes contribution (4)
<b>SPANISH ASSOCIATIONS AND INSTITUTIONS</b>				
Spanish Association of Accounting and Business Administration	-	-	YES	-
Spanish Association of Financial Managers and Company Treasurers	-	-	YES	-
Financial Markets Association	-	YES	YES	-
European Finance Centre, Barcelona (BCFE)	-	-	YES	-
Círculo de Economía	-	-	YES	-
Catalan Institute of Economists	-	-	YES	-
Institute of Internal Auditors (IAI)	-	-	YES	-
Spanish Venture Capital & Private Equity Association (ASCRI)			YES	
Alastria	YES	YES	YES	
Spanish issuers	-	YES	YES	-
Association of electronic IT, Telecoms companies (AMETIC)	-	-	YES	-
Spanish Bioindustry Association (ASEBIO)	-	YES	YES	-
Foment del Treball Nacional	-	-	YES	-
FEF	YES	YES	YES	YES
Inverco		YES	YES	YES
Spanish Association of Financial Consultancy Firms (ASEAFI) <sup>(5)</sup>	-	-	YES	-
Spanish Fintech and Insurtech Association <sup>(5)</sup>	-	-	YES	-
Institute of Computer Technology <sup>(5)</sup>	-	-	YES	-

	Holds position (1)	Participates in project (2)	Is a member (3)	Makes contribution (4)
<b>SUPRANATIONAL ASSOCIATIONS AND INSTITUTIONS</b>				
World Federation of Exchanges (WFE)	-	YES	YES	YES
Federation of European Stock Exchanges (FESE)	YES	YES	YES	YES
Ibero-American Stock Exchange Federation (FIAB)	YES	YES	YES	YES
European Capital Markets Institute (ECMI)	YES	YES	YES	-
International Organisation of Securities Commissions (OICV-IOSCO)	-	YES	YES	-
Centre for European Policy Studies (CEPS)	-	YES	YES	-
Futures Industry Association (FIA)	-	YES	YES	-
Spanish SWIFT Users Group (SWIFT GNUSE)	-	YES	YES	-
International Securities Services Association (ISSA)	-	-	YES	-
European Central Securities Depositories Association (ECSDA)	YES	YES	YES	-
Extensible Business Reporting Language (XBRL) Association	-	-	YES	-
Financial Services in Europe (EUROFI)	-	YES	YES	-
AFME – Securitisation Division (formerly: European Securitisation Forum)	-	-	YES	-
Financial Information Services Association of SIIA (FISD)	-	-	YES	-
European Association of CCP Clearing Houses (EACH)	YES	YES	YES	-

(1) Associations or institutions at which a BME Group company serves on the governing body.

(2) Associations or institutions at which a BME Group company participates in projects or committees.

(3) Associations or institutions at which a BME Group company considers that being a member responds to a strategic decision.

(4) Associations or institutions to which a BME Group company makes a significant contribution of funds, mandatory member fees aside.

(5) Associations or institutions at which Open Finance SLU considers that being a member responds to a strategic decision.

## 7.2. DISSEMINATION OF FINANCIAL KNOWLEDGE.

(103: : Indirect economic impact, 102-48, 203-2)

BME is committed to disseminating financial knowledge and increasing access to a financial culture among economic agents, improving the protection of investors' rights and facilitating the sustainable growth of the companies' business. The main positive impact of this dissemination of financial knowledge undertaken by BME is an improved understanding of the products, concepts and financial risks among Spanish households and SMEs and all groups that form society, through information, instruction and assessment that facilitate the development of skills and confidence to become more aware of the financial risks and opportunities.

The commitment assumed by BME to promoting a financial culture, which endorses the recommendations and best practices in relation to financial awareness and education defined by the Organisation for Economic Cooperation and Development (OECD), is reflected in the BME Group training centre, Instituto BME; the activities of this initiative are focused on the organisation of different training services in relation to finance and financial markets, aimed at professionals in the finance sector and its regulatory bodies, private investors, students and, in general, anyone interested in accessing or understanding more about the world of finance.



BME is committed to education. Financial Education Day.

### BME INVESTMENT IN ACTIONS THAT BENEFIT THE COMMUNITY.

(THOUSANDS OF EUROS)

	2019	2020
Financial culture and training	1,243	1,195
Socio-economic development (Awards)	10	0.7

## Financial-stock market training.

BME collaborates, directly or through the Instituto BME and the four Stock Exchanges, through training projects and teaches specific courses and seminars aimed at:



**Universities** (Malaga, Basque Country, San Pablo CEU, Valencia, Cantabria, Castilla la Mancha, Zaragoza, Alcalá de Henares and the Polytechnic University of Madrid).



**Training institutions** (University College of Financial Studies, EAE Business School and Foundation for Financial Studies).



**Groups outside the sector** (National Police Corps).

## Financial Education Day.



> BME regularly assists in the organisation and development of this initiative that forms part of the Financial Education Plan promoted by the Banco de España, the CNMV, the Directorate-General for Insurance and Pension Funds and the General Secretariat of the Treasury and International Finance.



> It organised the “*Conecta con la Bolsa*” (Connect to the stock market) initiative, as part of which 19 online conferences on the stock market were held.

## Financial awards in 2020. (\*)



> It co-sponsored the Financial Software Awards.

> It collaborated with the CFA Spain award.

> It participated in the 3rd Carlos Humanes Award for Economic Journalism presented at the Madrid stock exchange and the Manuel Olivencia Award.

(\*) BME's participation in these awards was made in kind and consists of the assignment of spaces at the Company's facilities worth 21,800 euros.

## Sponsorship of financial publications. (203-2)

BME contributes to the study and knowledge of the Spanish financial economy, encouraging the dissemination of finance and the stock markets through the direct publication of books and magazines and through the sponsorship of various publications.

The BME Studies Service has personnel at the four stock exchanges, which prepare, filter, select and distribute statistics on the markets and systems of the BME Group, reports and documentation on what is happening in the national and international financial markets through the BME's digital publications service BME Ediciones Digitales. BME also has libraries and documentation centres at all its offices with more than 30,000 titles on economics and finance available to employees and non-BME personnel.



## 7.3. FINANCIAL INFORMATIVE ACTIVITY.

(203-2) (103: Indirect economic impact)

BME has been helping Spanish businesses to make the most of market opportunities and assisting them with funding, growth, training, visibility and efficiency.

### Financial informative activity. (203-1)

The dissemination activities performed by BME Group companies to their users and to society in general are performed through forums (MedCap Forum and Latibex Forum), conferences, fairs and other initiatives related to the stock market (Spain Investors Day, Forinvest trade fairs, "Green Bonds" conference organised by OFISO, "Geneva MidCap Event", "Spanish Small & MidCaps Conference" and "Spain All Caps Conference"). It also contributes to the development of financial culture promotion tasks carried out by the Royal Academy of Jurisprudence and Legislation in matters of Law concerning the financial sector and the stock market.

The Madrid Stock Exchange, due to the interest aroused by the Palacio de la Bolsa de Madrid, which is a Spanish historical-artistic heritage site, and the stock exchanges located in Barcelona, Bilbao and Valencia had to stop the face-to-face guided visits of their buildings due to the measures taken to fight Covid-19. For this reason, BME promoted the #LaCulturaEnTuCasa initiative, allowing anybody with an interest to discover the secrets and history of the Madrid Stock Exchange from home through Twitter and LinkedIn.

### Promotion of added value services to listed companies.

(103: Indirect economic impacts)

BME provides information on and promotes added value services to listed companies, intermediaries and other investment services companies, understanding as such the group of services that accompany the sale/purchase cycle of negotiable financial assets.

Within this context, BME, through the dissemination and provision of these services strengthens the transparency of the markets, investor protection and security, the non-discriminatory participation in the markets and the participation in the channelling of savings towards productive investment, as well as, ultimately, provide value to the whole national economy in terms of economic growth and the generation of employment.

## Support for small and medium-sized enterprises.

(103: Indirect economic impacts)

BME's prime objective is to provide the highest number of companies access to financing through the securities market, particularly small- and medium-sized companies. To do so, BME MTF Equity (formerly called the Alternative Equity Market (MAB) and the Alternative Fixed Income Market (MARF) created by BME aim to cover the financing needs of the Spanish small- and medium-sized companies.

Furthermore, companies also enjoy the comprehensive solutions offered by BME4Companies created by BME, which allows entrepreneurs to reap the benefits of the securities market through an extensive and competitive range of services, as well as the Pre-Market Environment, a joint initiative between BME and Big Ban Angels, split between two segments, one for start-ups and the growth segment for companies; its aim is to provide SMEs with access to capital markets and assist them in the search for new investors.

As usual, this year BME once again participated, this time online, alongside the Confederación Española de la Pequeña y Mediana Empresa [Spanish Confederation of Small and Medium-sized Enterprises] in the CEPYME 500 project, aimed at driving growth and promoting the resizing of the top 500 SMEs leading business growth in Spain.



Conference on green bond financing



Virtual tour of the stock exchange



MedCap2020 virtual forum



Cepyme

## 7.4. OTHER ACTIVITIES SUPPORTING THE COMMUNITY.

(102-13, 413-1, 103: contribution to society)

### CULTURAL ACTIVITIES.

BME continues to maintain its commitment to supporting the local community, in particular with regard the world of culture:

- Member of the Friends of the Prado Foundation in Madrid.
- Sponsoring partner of the Reina Sofia Museum in Madrid.
- Trustee of the Naval Museum Foundation and the National Archaeological Museum.
- Patron of the Guggenheim museum in Bilbao, and other institutions.

Worth particular mention in 2020, marked by the Covid-19 crisis, was the social action in relation to BME's acquisition of protection equipment against the virus worth one million euros to finance Operation Balmis, with which the Armed Forces contributed to the fight against the coronavirus.

### SOCIAL ACTION.

In 2020, BME made commitments with:

- Food Banks in Madrid and Barcelona.
- Luzón Foundation.
- Mujeres Soledad Cazorla Foundation.
- Red Cross.
- Little Sisters of the Poor.
- Operation Balmis.
- Other initiatives of social value that benefit society and the local community.



BME apoya la Operación Balmis.

### BME INVESTMENT IN ACTIONS THAT BENEFIT THE COMMUNITY.

(THOUSANDS OF EUROS)

	2019	2020
Financial sponsorship and promotion of cultural activities	138	150





We support

# Operation Balmis

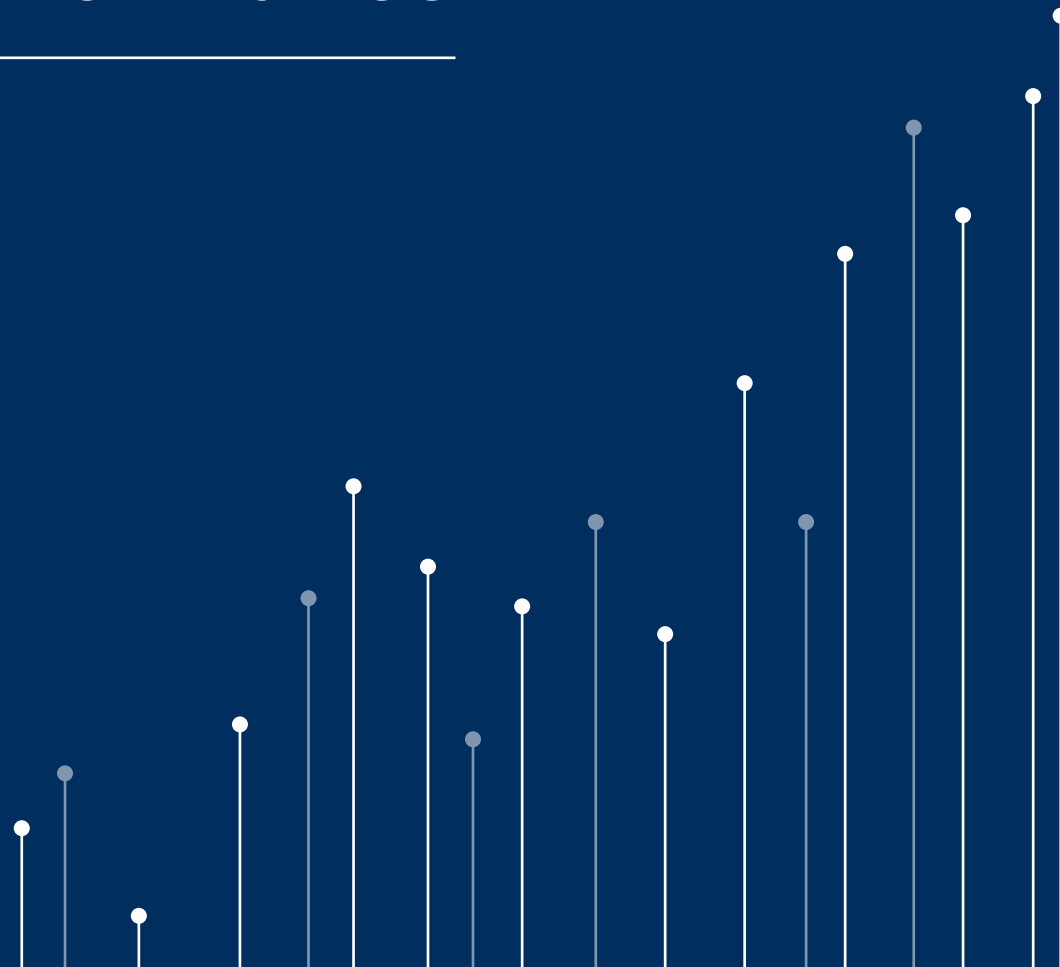
with the purchase of  
protective material



# 8. Environmental performance

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- 8.1. Environmental management.
- 8.2. Energy consumption.
- 8.3. Greenhouse gas emissions.



## 8.1. ENVIRONMENTAL MANAGEMENT.

(102-11, 103: Environmental compliance, 103: Economic performance, 307-1)

After the performance of the materiality analysis referred to in this report, the Company concluded that the activity of the BME office and the urban areas in which it is performed do not generate a significant direct impact on the environment, therefore the Company does not consider the aspects associated with the management of its waste and materials, biodiversity and sources of water collection within the environment of its facilities, nor the acoustic and light contamination that its facilities may generate, nor the emission of substances that deplete the ozone layer (SAO), nitrogen oxides (NOx), sulphur oxides (SOx) and other emissions to be of material significance.

In spite of the above, BME contributes to protecting the environment and dedicates economic resources to the sustainable management of its activities with the goal of minimising any environmental impacts that might arise from its operating processes and facilities, and the services it contracts.

### A) Environmental management.

The Company informs on its commitment to the environment by following the precautionary approach defined in the GRI Standards and Principle 15 of the Rio Declaration on the Environment and the United Nations Development Programme in 1992, indicating how it carries out its activities as well as the intention to mitigate any possible environmental impacts deriving from such through the environmental management included in this report. (102-11)

Given the activities in which the Group Companies are engaged, BME has analysed the risk factors related to their environmental performance within the risk management framework and has found that at present the environmental risk associated with its activities is not significant and therefore it has no expenses, assets, or provisions or contingencies of an environmental nature that could be significant in relation to the equity, financial situation and consolidated results.

Measures to mitigate possible environmental impacts given BME's commitment to the environment



- Comply with prevailing national, regional and local legislation, as well as with the commitments assumed to reduce the environmental impact of its activities.



- Fostering measures to reduce the use of resources consumed directly and indirectly by BME.



- Encouraging the recycling of waste to minimise BME's environmental impact., fostering compliance with the three "R" approach to environmental protection: *Reduce, Reuse, Recycle*.



- Encouraging an environmentally-responsible behaviour by BME employees through the implementation of best environmental practices.



- Contributing to the advancement of environmentally-responsible behaviour by BME employees through the implementation of best environmental practices.

As in previous years, in 2020 BME did not receive any significant fines or sanctions relating to the environment (307-1).





BME promotes the  
"three Rs":

**Reduce**  
**Reuse**  
**Recycle**



Generally speaking, environmental impacts deriving from transport are solely due to the transport of employees during corporate trips and travelling to their place of work, therefore there are no significant environmental impacts. Notwithstanding the foregoing, as a result of the Covid-19 crisis, which began in March 2020, more than 93% of the employees of the Company and its subsidiaries have guaranteed the continuity of all company activities by working safely from home during 2020, meaning there has been no need for employees to travel to the office; in this regard, access to offices has been restricted to essential staff from the Markets, Technology, General Services and Communication divisions, who have worked in shifts at different locations, which has led to a decrease in energy consumption in most of the geographical areas in which the corporate and operational headquarters of BME and its Group companies are located.

As indicated in section 2 of the report, the corporate and operational headquarters of BME and of all the companies of the group (with the exception of REGIS-TR, S.A., REGIS-TR UK, Ltd, BME Latam S.A.S., LATAM Exchanges Data Inc y LATAM Exchanges Data México S.A de C.V.) are located in Spain, the country where they essentially carry out their activities, with the central headquarters of BME located in Madrid, Plaza de la Lealtad 1, and the main operational headquarters of the organisation in Las Rozas (Madrid), Calle Tramontana 2bis. Therefore, data on environmental performance is limited to the headquarters located in Spain, where 99.37% of employees perform their duties.

## B) FTSE4Good IBEX index.

In 2006, BME together with *FTSE Group* created the FTSE4Good IBEX comprising securities belonging to BME's IBEX 35® index and the *FTSE Spain All Cap* index, which comply with the best practices in corporate social responsibility. The FTSE4Good IBEX index is a tool which allows responsible investors to identify and invest in those companies that work towards environmental sustainability with the global standards of corporate responsibility, thereby providing asset managers with a socially responsible investment indicator and which encourages the idea of being socially responsible among companies. BME formed part of the FTSE4Good IBEX® since its creation until 15 September 2020 as a result of the aforementioned delisting.



## 8.2. ENERGY CONSUMPTION.

(103: Energy, 102-48, 302-1, 302-2, 302-3, 302-4)

As part of its drive to protect the environment and sustainability, the company implements internal measures to reduce energy consumption at its facilities and minimise the environmental impacts of the services managed at the Group's work centres, and externally through environmental support initiatives.



### Internal energy consumption. (302-1)

The internal energy consumption derives from the contracting by BME of electricity and gas for it to carry out its internal activities. The main sources of energy from its supplier for this service are hydroelectric, nuclear, thermal, wind and solar. Natural gas is only consumed in the employee canteen in the Las Rozas premises in Madrid, where the services are outsourced.

#### Measures for reducing internal consumption. (302-5)

BME promotes different measures with the aim of reducing its electricity consumption, deriving mainly from lighting, climate control and IT equipment and thus reduce the emissions deriving from its activity.

Of particular significance are the night-time and smart low consumption lighting systems, the replacement of air conditioning/heating systems or maintenance activities and the replacement of the IT equipment with other more energy-efficient equipment that has energy efficiency guarantees, such as the *Energy Star* certification or tools that improve the energy efficiency of its equipment.



### External energy consumption. (302-2)

With regard to external energy consumption -energy consumption outside BME not directly contracted by the Company- primarily derives from employees' commutes to and from work, (corporate shuttle service and private vehicle) and business trips (air and rail). In the absence of data on external energy consumption, indicators for this item are not included.

#### Measures for reducing external consumption.

Although BME does not monitor its external energy consumption, but it does implement savings measures to reduce the emissions generated in the performance of its activity, such as encouraging sustainable travel by using public transport instead of private transport (extension of the shuttle service) and financial assistance to use urban and interurban transport), prioritising the use of trains over aeroplanes for short distance business trips, promotion of technological tools as a means to holding meetings and the development of teleworking.



**RENADE:**

**15 years**

providing the **greenhouse**  
**gas** emissions **registration**  
service

ELECTRICITY CONSUMPTION INDICATORS BY GEOGRAPHIC AREA IN SPAIN. <sup>(1) (2)</sup>

Madrid	2019	2020
Change in total consumption (GJ)	26,502.39	27,799.08
Number of employees in Madrid	618	613
Consumption per employee (GJ/employee)	42.88	45.35
Barcelona	2019	2020
Change in total consumption (GJ)	4,211.10 <sup>(3)</sup>	3,547.73 <sup>(4)</sup>
Number of employees in Barcelona	83	78
Consumption per employee (GJ/employee)	50.74 <sup>(3)</sup>	45.48 <sup>(4)</sup>
Bilbao	2019	2020
Change in total consumption (GJ)	1,446.63	1,228.01
Number of employees in Bilbao	29	27
Consumption per employee (GJ/employee)	49.88	45.48
Valencia	2019	2020
Change in total consumption (GJ)	1,165.26	533.95
Number of employees in Valencia	66	75
Consumption per employee (GJ/employee)	17.66	7.12

(1) Electricity consumption figures in gigajoules (GJ), as per GRI4 criteria. 1 kWh = 0.0036 GJ.

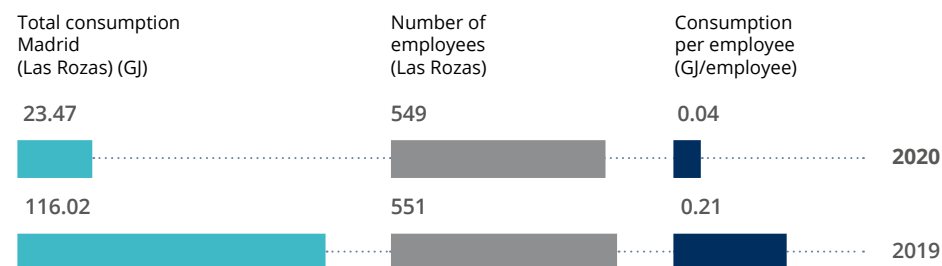
(2) The number of employees includes data on the BME Group workforce (with the exception of BME Latam SAS and LATAM Exchanges Data Inc) and Open Finance, SLU as at 31 December of each year.

(3) The energy consumption for the Barcelona office for 2019 and the consumption per employee for this period has been amended to include the data on estimated electricity consumption of the second half of 2019 in the Corporate Social Responsibility Report for 2019.

(4) Includes electricity consumption figures for the first six months of 2020 for the Barcelona Stock Exchange operational site and an estimate of the electricity consumption data for the second six months of 2020.

GAS CONSUMPTION INDICATORS IN SPAIN. <sup>(1) (2) (3)</sup>

(302-1, 302-3)



(1) In Madrid, only the Las Rozas building uses this type of energy.

(2) The number of employees includes data on the BME Group workforce (with the exception of BME Latam SAS and LATAM Exchanges Data Inc) and Open Finance, SLU as at 31 December of each year.

(3) Gas consumption figures in gigajoules (GJ), as per GRI4 criteria.

## 8.3. GREENHOUSE GAS EMISSIONS.

(103: Emissions)

### GENERAL ENERGY INDICATORS IN SPAIN. <sup>(1)(2)</sup>

(302-1, 302-3)

	2019	2020
Total internal energy consumption (GJ)	33,506.54 <sup>(3)</sup>	33,132.24 <sup>(4)</sup>
Total number of employees in Spain <sup>(5)</sup>	796	793
Total internal energy intensity (GJ/employee)	42.01	41.78

(1) Total electricity and gas consumption figures in gigajoules (GJ) as per GRI4 criteria. 1 kWh = 0.0036 GJ.

(2) The company's total internal energy intensity per annum is calculated by dividing total internal energy consumption (electricity and gas) by the number of employees in the Group.

(3) Includes total electricity consumption figures for the Madrid, Barcelona, Bilbao and Valencia offices. The consumption data for Barcelona has been amended as this included estimated data on the electricity consumption for the second half of 2019 in the Corporate Social Responsibility Report for 2019.

(4) Includes total electricity consumption figures for the Madrid, Bilbao and Valencia offices. Includes electricity consumption figures for the first six months of 2020 for the Barcelona stock exchange and an estimate of electricity consumption for the second half of the year based on consumption over the past 5 years.

(5) The number of employees includes data on the BME Group workforce (with the exception of BME Latam SAS and LATAM Exchanges Data Inc) and Open Finance, SLU as at 31 December of each year.

#### DIRECT GREENHOUSE GAS EMISSIONS

As a consequence of the consumption of:



Natural gas



Corporate shuttle bus

#### INDIRECT GREENHOUSE GAS EMISSIONS

As a consequence of the consumption of:



Electricity



Business trips by air and rail



Staff commutes in private vehicles

The Company invests time and effort in minimising the greenhouse gas emissions it generates through the monitoring of its emissions and the adoption of energy saving measures with the final objective of maintaining its greenhouse gas emissions at a stable level.



## Greenhouse gas emission indicators. (102-48, 305-1, 305-2, 305-3, 305-4, 305-5)

### GREENHOUSE GAS EMISSIONS IN SPAIN.

TONNES OF CO<sub>2</sub> EQUIVALENT <sup>(1)</sup>

	2019 <sup>(2)</sup>	2020
<b>TOTAL CO<sub>2</sub> EMISSIONS</b>	<b>2,855.27</b>	<b>1,630.21</b>
<b>Total direct emissions</b>	<b>106.22</b>	<b>30.58</b>
Fuel consumption (natural gas)	6.60	1.33
Staff transport (corporate shuttle bus) <sup>(3)</sup>	99.62	29.95
<b>Total indirect emissions</b>	<b>2,749.05</b>	<b>1,599.63</b>
Electricity consumption	1,758.83 <sup>(4)</sup>	1,324.35 <sup>(5)</sup>
Business trips (by air)	413.29	72.20
Business trips (by rail) <sup>(6)</sup>	36.93	8.08
Staff commutes to and from work (own vehicle) <sup>(7)</sup>	540	195
<b>TOTAL NUMBER OF EMPLOYEES IN SPAIN <sup>(8)</sup></b>	<b>796</b>	<b>793</b>
<b>TOTAL CO<sub>2</sub> EMISSIONS PER EMPLOYEE <sup>(9)</sup></b>	<b>3.59</b>	<b>2.06</b>

(1) In 2019, the CO<sub>2</sub> equivalent emission factors provided by DEFRA were used as the method for calculating CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions.

(2) The CO<sub>2</sub> emissions in 2019 have been amended to update the estimated emissions data on electricity consumption for the second half of 2019 for the Barcelona office stated in the Corporate Social Responsibility Report for 2019.

(3) Includes, in accordance with the methodology described in note 1 above, direct emissions of CO<sub>2</sub> deriving from the use of the company shuttle bus.

(4) The CO<sub>2</sub> emissions for electrical energy have been calculated by applying the estimated value of the gross electricity production mix for 2019 (0.190 Kgs CO<sub>2</sub>/KWh).

(5) The CO<sub>2</sub> emissions for electrical energy have been calculated by applying the estimated value of the gross electricity production mix for 2020 (0.144 Kgs CO<sub>2</sub> per KWh).

(6) Includes, in accordance with the methodology described in footnote 1 above, indirect emissions relating to business trips made by employees by train (does not include trips made by employees by train to the Majadahonda railway station to take the company shuttle service to the Las Rozas headquarters).

(7) Includes, in accordance with the methodology described in footnote 1 above, indirect CO<sub>2</sub> emissions relating to trips made by employees to their place of work using their own vehicles.

(8) The number of employees includes data on the BME Group workforce (with the exception of BME Latam SAS and LATAM Exchanges Data Inc) and Open Finance, SLU as at 31 December of each year.

(9) Annual CO<sub>2</sub> emissions per employee were calculated by dividing total CO<sub>2</sub> emissions by the total number of BME Group employees (with the exception of BME Latam SAS and LATAM Exchanges Data Inc) and Open Finance, SLU employees each year.



## GREENHOUSE GAS EMISSIONS BY SCOPE.

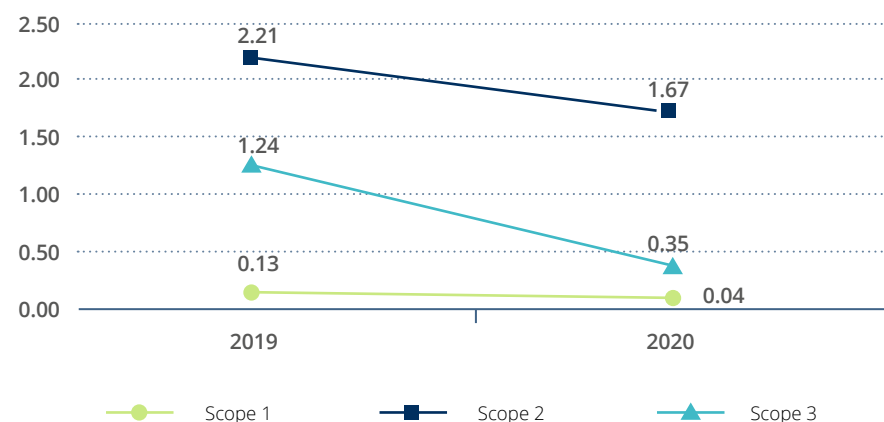
TONNES CO<sub>2</sub> (305-1, 305-2, 305-3)

Scope Tonnes CO <sub>2</sub>	ITEM	2019	2020
Scope 1	Fuel consumption (natural gas)	6.60	1.33
	Staff transport (corporate shuttle bus)	99.62	29.95
Scope 2	Electricity consumption	1,758.83 <sup>(1)</sup>	1,324.35
Scope 3	Business trips (by air and rail)	450.22	80.28
	Staff commutes to and from work (own vehicle)	540	195

(1) The emissions deriving from energy consumption for 2019 have been amended to update the estimated emissions data on electricity consumption for the second half of 2019 for the Barcelona office stated in the Corporate Social Responsibility Report for 2019.

## INTENSITY OF GREENHOUSE GAS EMISSIONS. <sup>(1)</sup>

TONNES OF CO<sub>2</sub> / EMPLOYEE (305-4)



(1) The intensity of emissions can be used to determine the organisation's environmental efficiency and performance. The annual data is the result of dividing the total CO<sub>2</sub> emissions between the total number of Group employees.

## National Registry for Greenhouse Gas Emission Allowances. (201-2)

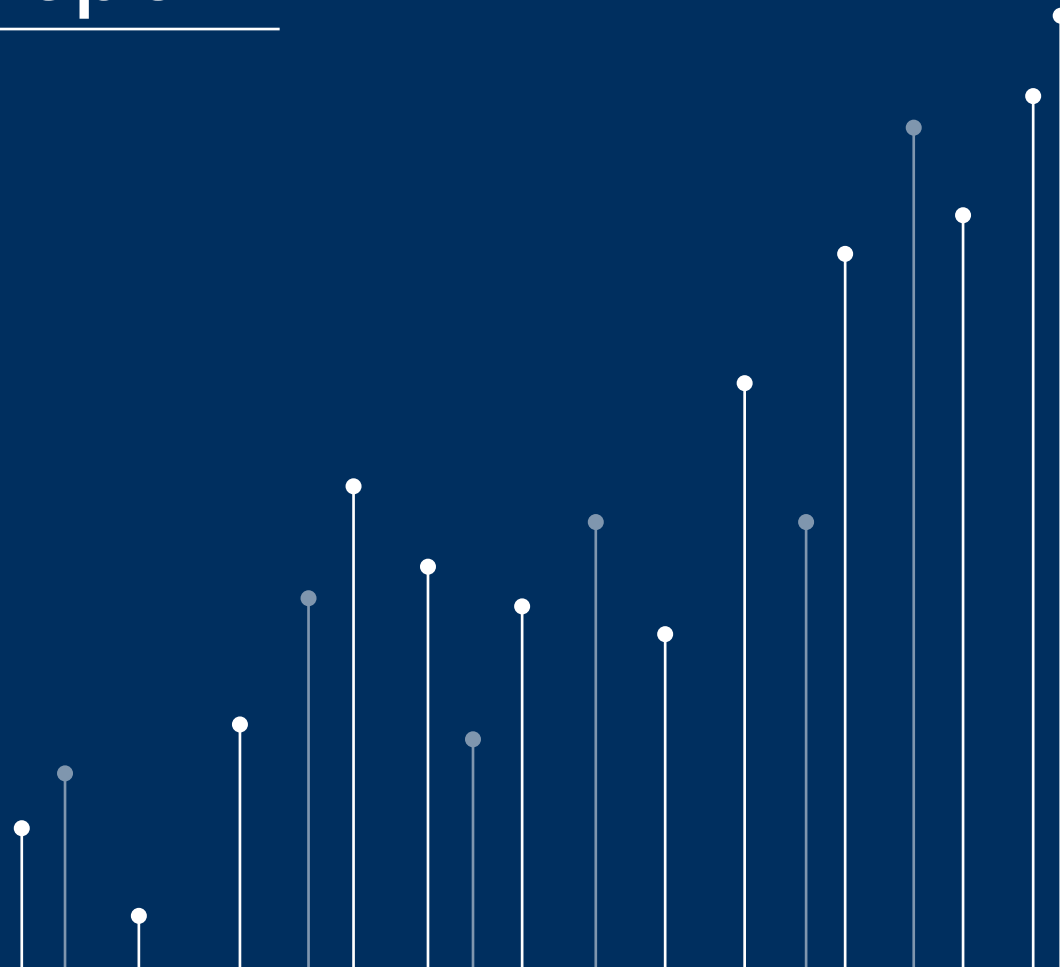
BME considers the management through Iberclear of the National Registry for Greenhouse Gas Emission Allowances (RENADE) since 2005 an opportunity as it provides support to the National Administrator of Emissions Allowances, in accordance with all the requirements set forth by the European Commission and the United Nations through the Spanish Office of Climate Change (OECC).

RENADE is the instrument that ensures the publication and continual update of the ownership and control of greenhouse gas emission rights of Spanish companies, calculating, registering and overseeing emission rights and other units.

In this regard, RENADE provides industrial facilities with the technical and human resources necessary to facilitate compliance with their annual obligation to deliver allowances to the State. This year, on account of the global pandemic, the delivery period of rights has been somewhat different; nonetheless, all compliance objectives have been achieved.

In 2020, Iberclear provided all users of the Spanish Area of the Union Registry and therefore users RENADE, with a website using which they can process the main documentary processes in a more intuitive and beneficial manner.

# Materiality of the report



## Scope of the information and standards used in the report.

This non-financial information statement includes information relating to 2020 for all the activities and services provided by the Company. Where deemed appropriate, it also includes information from 2019 for comparison.

Quantitative information relating to human resources and the environment for 2019 contained in this report has been restated to take into account the inclusion of data concerning the workforce of BME Latam SAS and LATAM Exchanges Data Inc, and the consumption and emission of greenhouse gases by this workforce, as well as the average remuneration of BME's senior management broken down by gender for 2019 in order to reflect the new criterion for the type of remuneration included in accordance with Note 1, i.e. excluding the estimate or target for variable remuneration. Likewise, the data on electricity consumption and greenhouse gas emissions for the geographical area of Barcelona for 2019 that were not available on 31 December 2019 have been modified (102-48).

It has been prepared in accordance with the content established for the preparation of the Sustainability Reports by the [GRI Standards](#) and Law 11/2018 of 28 December, amending the Code of Commerce, the revised text of the Corporate Enterprises Act and the Law on the Auditing of Accounts, regarding non-financial information and diversity.

## GRI principles for gathering content.

The structure and content of this report is based on the principles established by GRI for the preparation of sustainability reports, as indicated below:

- **Stakeholder engagement.** The preparation of this report has been carried out attending to the interests and expectations of the stakeholders in relation to the functioning of BME, which has been received, via the managers of the Company that interact with them.
- **Context of Sustainability.** An evaluation has been carried out of the relationship between the activities and services provided by BME with the social, economic and environmental context in which the Company operates.
- **Materiality.** A materiality analysis has been performed to define and identify the most significant aspects for BME with regard to sustainability, the methodology of which is detailed below.
- **Thoroughness.** After the identification of the material aspects for BME, information regarding these has been included with a view to facilitating the stakeholders' evaluation of the economic, social and environmental performance of the Company in recent years.

## GRI Principles for the processing and quality of the information. (102-46)

The principles established by GRI to guarantee the quality of the information have also been taken into account in the preparation of the report:

- **Balance.** According to this principle, the sustainability reports must reflect both the positive and negative aspects of the Company's performance. Through its application, an objective and complete view is obtained of the general performance of BME.
- **Comparability.** The Company has gathered information on a regular basis and it has been included in the contents with the aim of its stakeholders being able to analyse the progress of its performance in recent years, and compare it to that of other organisations.
- **Accuracy.** The information provided is stated in sufficient detail to cover the expectations indicated by the stakeholders.
- **Punctuality.** Following the same pattern as in recent years, BME will continue updating the content of its consolidated non-financial information report annually with the aim of facilitating regular information to its stakeholders.
- **Clarity.** The Company wishes to present information on its performance in a manner that is accessible and clear for all stakeholders.
- **Reliability.** This report details the process followed for its preparation. With this, BME guarantees that the content of the report may be subjected to external evaluation to judge the quality and materiality of the information.

## Materiality analysis. (102-46)

Pursuant to that established in the GRI Standards, this document contains information on the indicators corresponding to those aspects of sustainability deemed as material. Although in 2018, BME's materiality matrix did not experience any changes, in 2019 it was subject to a review and update that resulted in the inclusion of aspects relating to sustainable finance and cybersecurity, reflecting the growing importance of both issues in BME's business sector.

In particular, the activities carried out for this materiality analysis and its review during 2019 consisted of:

- **Meetings** with managers and directors in key areas of the Company.
- **Benchmarking** of other international companies in the stock exchange sector.
- **Analysis of investor requirements with regard to corporate social responsibility** based on the analysis of contents/indicators requested through initiatives such as the *Dow Jones Sustainability Index (DJSI)*, *Carbon Disclosure Project – Climate Change (CDP)*, *FTSE4Good*.
- **Analysis of key aspects with regard to corporate social responsibility in other initiatives in which BME participates**, such as *Sustainability Stock Exchange (SSE)* and the United Nations Global Compact.
- **Analysis of the recommendations for the Company's reporting made by the Corporate Social Responsibility Observatory.**
- **Analysis of press dossiers** compiled by the Company over the last year.
- **Analysis of BME's Corporate Policies**, including, the Corporate Social Responsibility Policy, the Code of Conduct, Crime Prevention Guidelines, Tax policies and principles, and Policies for the processing and transmission of insider information.

The result of these actions allowed the following materiality matrix (102-47), to be created for the Company in 2019, which has not undergone any variation during 2020:



During the third quarter of 2020, SIX Group has become the sole shareholder of BME, leading to the beginning of a process of integration and identification of synergies between the two companies, the result of which will be reported in the years beginning on or after 1 January 2021. For this reason, without it having been necessary to carry out a review of the materiality matrix during the 2020 financial year, a high degree of alignment and level of relevance has been found among the material issues for SIX Group and BME in environmental, social and governance matters and an equivalence between all material aspects for SIX Group and BME, with the exception of two aspects that are not currently considered material for BME because they are not relevant to its stakeholders and as it is not a matter that is present in the usual activities of the company (*"Networking and partnerships for sustainable financial center"* and *"Inexpensive, efficient financial infrastructure"*).

The following table specifies the specific coverage of each one of these material aspects.

Material aspect (102-47, 103-1)	Coverage <sup>(1)</sup>	
	Organisation	Outside of the organisation
Economic performance	✓	✓
Indirect economic impact		✓
Energy and emissions	✓	✓
Employment	✓	
Occupational health and safety	✓	
Training and education	✓	
Equal opportunities	✓	
Contribution to society		✓
Dissemination of financial knowledge		✓
Regulatory compliance	✓	
Supplier assessment	✓	✓
Ethics and integrity	✓	
Transparency and independence in operations	✓	✓
Ethics, good governance and relationship with Stakeholders		✓
Good governance	✓	
Relationship with shareholders		✓
Fiscal policy	✓	
Cybersecurity, security and accuracy of information.	✓	✓
Sustainable finance		✓
Value services for listed companies	✓	✓
Support for SMEs and start-ups in accessing the stock market	✓	✓

(1) BME's activities generate positive and negative impacts on sustainability. The coverage of each aspect refers to the place where these impacts occur (within the organisation and/or outside), with a description of their nature throughout the report.



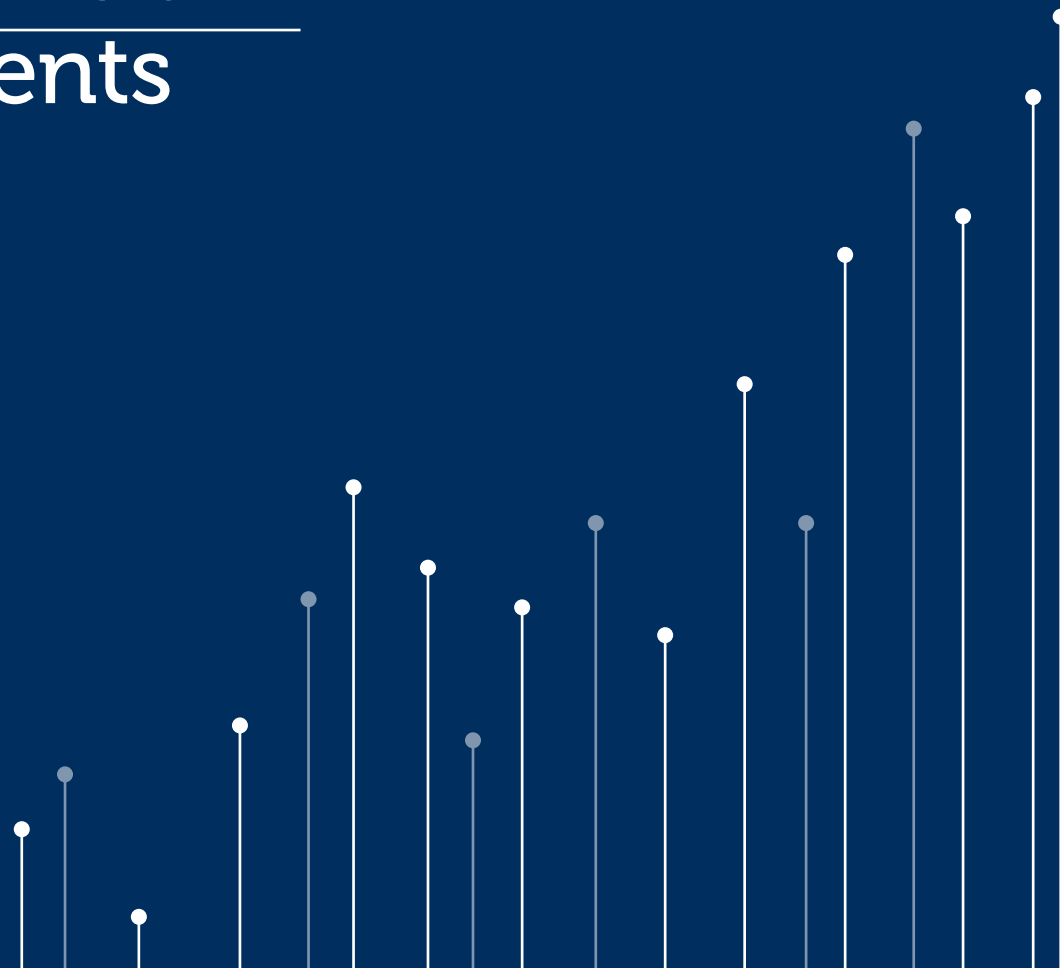
Once these material aspects were identified and their coverage determined, the collection of information to prepare the report was performed based on interviews and sending information gathering sheets to managers within the Company. Having received this data and the contextual information obtained through the activities carried out in the materiality analysis, BME has prepared the final version of this report. The sections where the information relating to each one of the indicators required by the said international standard are identified on the GRI table of contents included in the following section.

In those cases in which it has not been possible to cover all the requirements of the guidelines when reporting on a specific indicator, this has been detailed on the aforementioned table. The Company also undertakes to improve its information systems with the aim of having all the data required for future reports

**More information.** (102-53)

If you would like additional clarification regarding the information included in this document, or on the Company's activities concerning sustainability, you may contact BME at the following address: [sconsejo@grupobme.es](mailto:sconsejo@grupobme.es)

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Reduction goals	103	Management approach: Emissions	8.3	102-103
	305-5	Reduction of GHG emissions	8.3	102

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<b>II. Information on personnel and social welfare issues</b>				
<b>Employment</b>				
	103	Management approach: Employment	5	57
Total number of employees and distribution	102-8	Information on employees and other workers	5.1	58-63
	405-1	Diversity in governing bodies and employees	2.5.A)	32-33
				58-63
Total number and distribution of contract types	102-8	Information on employees and other workers	5.1	58-63
Annual average permanent, temporary and part-time contracts	102-8	Information on employees and other workers	5.1	58-63
	405-1	Diversity in governing bodies and employees	5.1	58-63
Employees with disabilities	405-1	Diversity in governing bodies and employees	5.1	58-63
Number of dismissals	401-1	New employee hires and staff turnover	5.1	58-63
Average remuneration of directors and executives	102-35	Remuneration policies	Directors' remuneration policy 2.5.A)	38-39
	102-36	Processes for determining remuneration	Directors' remuneration policy 2.5.A)	38-39
			5.3	67-68
	102-37	Involvement of stakeholder groups in the remuneration	3.2	46
	102-38	Total annual compensation ratio	2.5.A)	38-39
				67-68
	102-39	Percentage increase ratio of the total annual compensation	2.5.A)	38-39
			5.3	67-68

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Average remuneration and changes. Salary gap	405-2	Base salary and remuneration ratio of women compared to men	5.3	67-68
Employment separation policies	103	Management approach: Employment	5.4	69
<b>Organisation of work</b>				
Organisation of working time and measures to facilitate work-life balance	103	Management approach: Employment	5.4	69
Number of hours of absenteeism	403-9	Work-related injuries	5.6	76-77
<b>Health and safety</b>				
Occupational health and safety conditions	103	Management approach: Occupational health and safety	5.6	74-78
	403-1	Occupational health and safety management system	5.6	74-78
	403-2	Hazard identification, risk assessment, and incident investigation	5.6	74-78
	403-3	Occupational health services	5.6	74-78
	403-5	Worker training on occupational health and safety	5.6	74-78
	403-6	Promotion of worker health	5.6	74-78
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.6	74-78
Work accidents	403-9	Work-related injuries	5.6	76-77
Occupational diseases	403-10	Work-related ill health	The professions of BME workers do not have a high incidence or high risk of diseases associated with their occupation	
				76-77



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Relaciones sociales				
Dialogue with workers	103	Management approach: Freedom of association and collective bargaining	BME guarantees all of its employees the right to form trade unions for the defence and promotion of their economic and social interests. Trade union workers’ representation bodies and the technical committees deriving from the Collective Agreement in which the employees participate provide a constant channel of dialogue between the company and its employees, not only for collective bargaining but also to resolve any potential conflicts.	
	407-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk		
				There are no risks of violations of, or threats to, the freedom of association and collective bargaining at any of the Company's locations or suppliers.
Employees covered by collective bargaining agreement	102-41	Collective bargaining agreements	5.2	64
Balance of collective agreements, particularly in relation to occupational health and safety	403-4	Worker participation, consultation and communication on occupational health and safety	BME addresses all these concerns that it considers relevant in the Health and Safety Committees listed in section 5.6 of this report. For example, social security, workplace risk prevention, security measures and fire drills.	
Training				
Policies implemented	103	Management approach: Training and education	5.5	70-73
	404-2	Programmes to improve employee skills and programmes to aid in the transition	5.5	70-73
Total training hours	404-1	Average training hours received per employee per year	5.5	70-73
Universal accessibility for people with disabilities				
Universal accessibility for people with disabilities	103	Management approach: Diversity and equal opportunities	5.3	67-68
Equality				
Equality policy and plans and measures adopted	103	Management approach: Diversity and equal opportunities	5.3	67-68

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<b>III. Information on respect for human rights</b>				
Elimination of forced and compulsory labour		Non-material indicator for the Group, as shown by the materiality analysis		
Effective abolition of child labour		Non-material indicator for the Group, as shown by the materiality analysis		
Elimination of discrimination in employment	103	Management approach concerning Employment and Diversity and Equal Opportunities	5.3	67-68
	103	Cases of discrimination and corrective actions taken	5.3	66
Complaints filed regarding human rights violations	406-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk	There are no risks of violations of, or threats to, the freedom of association and collective bargaining at any of the Company's locations or suppliers.	
Promotion and compliance with the provisions of the fundamental Conventions of the International Labour Organisation				
	412-3	Significant investment agreements and contracts that include human rights clauses or that are subject to human rights screening.	5.3	66
Due diligence procedures.	102-16	Values, principles, standards and code of conduct	2.2	20-25
			2.3.B)	28-30
	102-17	Assessment mechanisms and ethical concerns	2.3.B)	28-30

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<b>IV. Information relating to the fight against corruption and bribery</b>				
Measures adopted in the fight against corruption and bribery.	103	Management approach: Anti-corruption	2.3.B)	30
	205-1	Operations evaluated for risks relating to corruption	2.3.B)	30
	205-2	Communication and training on anti-corruption procedures and policies	2.3.B)	29-30
			2.5.A)	34
	205-3	Confirmed incidents of corruption and actions taken	2.3.B)	29-30
Measures to combat money laundering	205-2	Communication and training on anti-corruption procedures and policies	2.3.B)	29-30
			2.5.A)	34
Contributions to foundations and not-for-profit entities	413-1	Operations with the participation of the local community, impact assessments and development programmes	7.4	92
<b>V. Information on the company</b>				
<b>Commitment of the company to sustainable development</b>				
Impact on local development and employment	103	Management approach: Indirect economic impacts	7	84-90
	203-1	Investments in infrastructures and support services.	7.3	89-90
	203-2	Significant indirect economic impacts	7.2	87-88
			7.3	89-90
	204-1	Proportion of spending on local suppliers	6.1.A)	82
	413-1	Operations with the participation of the local community, impact assessments and development programmes	7.4	92

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Impact on the local population and area	413-1	Operations with the participation of the local community, impact assessments and development programmes	7.4	92
	413-2	Operations with significant actual or potential negative impacts on society	7	84-92
Relations with actors from society	102-43	Focal areas for the participation of stakeholders	BME establishes the frequency in the relationship with its main stakeholders, depending on business needs. BME has taken into account the main expectations mentioned by these stakeholders in the preparation of the report. To do so, it has requested information and opinions from the managers of the Company with whom it has worked to define the report contents.	
			1	13
Association and sponsorship actions	102-12	External initiatives	2.2	22
	102-13	Membership of associations	7.1	86
				92
Subcontracting and suppliers				
Purchasing policy	103	Management approach: Social and environmental assessment of suppliers		
Supervision and audits	103	Management approach: Social and environmental assessment of suppliers	6.2	82-83
	308-1	New suppliers that have passed the evaluation and selection filters in accordance with the environment criteria		
Purchasing policy and relations with suppliers and subcontractors	102-9	Supply chain	6.1	80-82
	414-1	New suppliers that have passed the evaluation and selection filters in accordance with the social criteria	6.2	82-83

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<b>Consumers</b>				
Measures for the health and safety of consumers	103	Management approach: Client health and safety		
Claims systems, complaints received and their resolution	103	Management approach: Client health and safety	4.2	53
	416-2	Cases of non-compliance relating to the health and safety impacts of the categories of products and services		
<b>Tax information</b>				
Profit obtained country by country and tax on profits.	103	Management approach: Economic performance	2.2	20-25
	207-1	Tax approach	2.2	23-25
	207-2	Tax governance, control and risk management	2.2	23-25
			Annual financial statements	
	207-3	Participation of stakeholders and management of tax concerns	This report responds to the tax concerns and opinions expressed by BME's stakeholders in relation to the BME materiality analysis reflected following the adhesion of BME Group companies to the Code of Best Tax Practices including the defence of public tax policies.	
	207-4	Country-by-country reporting	2.2	23-25
			Annual financial statements	
	201-1	Direct economic value generated and distributed	2.2	23-25
Public subsidies received			3.3	49
	201-4	Financial aid from the government	2.4.B)	32

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Other significant information				
Other information about the Company				
Other information about the Company	103	Management approach: Unfair competition, public policy, and social and economic compliance		
	102-1	Name of the organisation	Cover	
	102-5	Ownership and legal form	1	10-11
	102-10	Significant changes in the organisation and its supply chain	2	16
			6.2	82-83
	206-1	Legal actions related to anti-competitive behaviour, anti-trust, and monopoly practices	There were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.	
			2.2	20
	415-1	Donations to political parties/representatives	2.4.B)	32
	418-1	Fundamental complaints associated with breaches of client privacy and losses of client data	There were no complaints regarding breaches of client privacy and losses of client data.	
	419-1	Non-compliance with laws and regulations in social and economic areas	Annual financial statements	
			4.1	52
			5	57

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Corporate Governance					
Corporate Governance	102-18	Governance structure		2.5.A)	32-36
	102-19	Delegation of authority		2.5.A)	35-36
	102-20	Responsibility at executive level for economic, environmental and social matters.		2.5.A)	34-36
	102-22	Composition of the most senior governing body and its committees		2.5.A)	32-36
	102-23	Chairperson of the most senior body		2.5.A)	35
	102-24	Nomination and selection of the most senior governing body	Company's constitutional documents and internal implementing rules and regulations		
	102-25	Conflicts of interest			
	102-26	Function of the most senior governing body in the selection of objectives, values and strategy			
	102-27	Collective knowledge of the most senior governing body	This company Report includes the most recent materiality analysis in which the most relevant aspects for the company and its stakeholders have been identified, covering, inter alia, economic, social and environmental issues.		
	102-28	Evaluation of the most senior governing body	The Board of Directors in full annually assess the efficiency of its operation and the quality of its work on matters within its remit.		



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Corporate Governance	102-29	Identification and management of economic, environmental and social impacts.	2.1	18-19
			2.3.B)	30
			2.5.B)	40-41
	102-30	Efficiency of the risk management processes	2.1	18-19
			2.3.B)	30
				40-41
	102-31	Review of economic, environmental and social matters	Non-financial information statement	
	102-32	Function of the most senior governing body in the preparation of sustainability reports	The Board of Directors is the body that approves the Non-Financial Information Statement	
	102-33	Communication of critical concerns to the most senior governing body	2.4	31
	102-34	Nature and total number of ethical concerns	2.3.B)	28
	102-45	Entities included in the consolidated financial statements	Annual financial statements	
			1	14-15

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<b>Stakeholder engagement</b>				
Stakeholder engagement	102-40	List of stakeholders	1	13
	102-21	Consultation with stakeholders on economic, environmental and social matters.	The Board of Directors, through the Audit Committee, is informed on all relevant economic, environmental and social matters that arise in the dialogue between the Company with its stakeholders and the areas, units and departments involved in relation to the former.	
	102-42	Identification and selection of stakeholders	The stakeholders have been selected according to the criteria of relevance to the Company and its activities.	
	102-44	Focal areas for the participation of stakeholders   Key topics and concerns mentioned	The report only includes information concerning the satisfaction questionnaires relating to the educational activities.	1 13
		Key topics and concerns mentioned	The contents of the report respond to the main expectations detailed by BME stakeholders. Result of the interaction with the interest groups, no problems detected that the company considers as key.	

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Other useful information on the preparation of the document				
Other useful information on the preparation of the document	103-1	Management approach: Explanation of the material topic and its Coverage	Materiality of the report	109
	102-46	Definition of the report content and Coverage given to topic		106-107
	102-47	List of material topics		108-109
	102-48	Restatement of information.	2.5.A)	38-39
			7.2	87-88
			8.2.	98-100
			8.3.	102-103
			Materiality of the report	106
	102-49	Changes in report preparation	There are no significant changes in relation to the scope and coverage of the material aspects identified in this report compared to the Sustainability Reports published in previous years.	
	102-50	Target period of the report	Año 2020	
	102-51	Date of last report	2019	
	102-52	Report preparation cycle	Annual	
	102-53	Point of contact for questions on the report	Materiality of the report	110
	102-55	Index of GRI contents	Index of non-financial information contents	
	102-56	External verification	The Company has requested an independent review of the consolidated non-financial information statement	
Other additional information				
Sustainable finance		4.1	33	



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