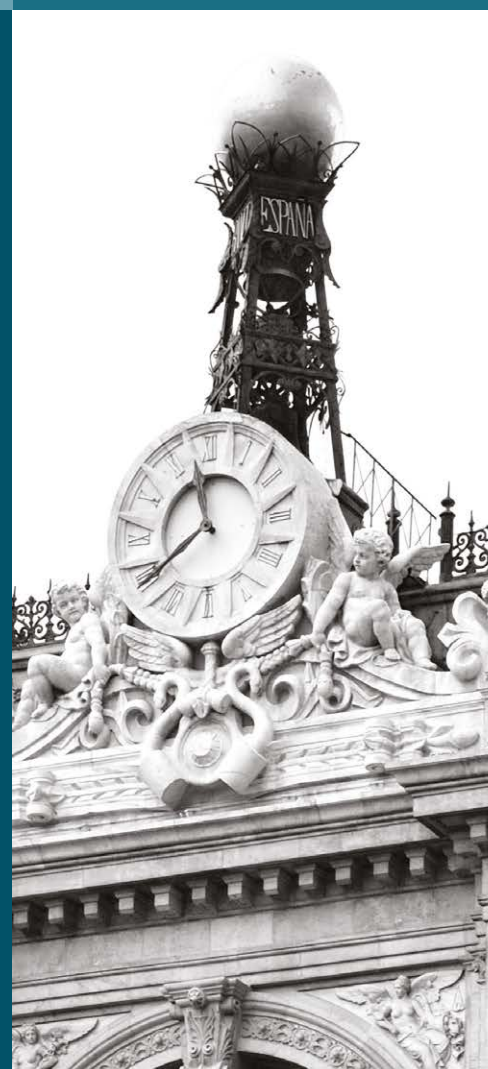


INSTITUTIONAL REPORT 2024: DIGEST



**INSTITUTIONAL REPORT 2024:
DIGEST**

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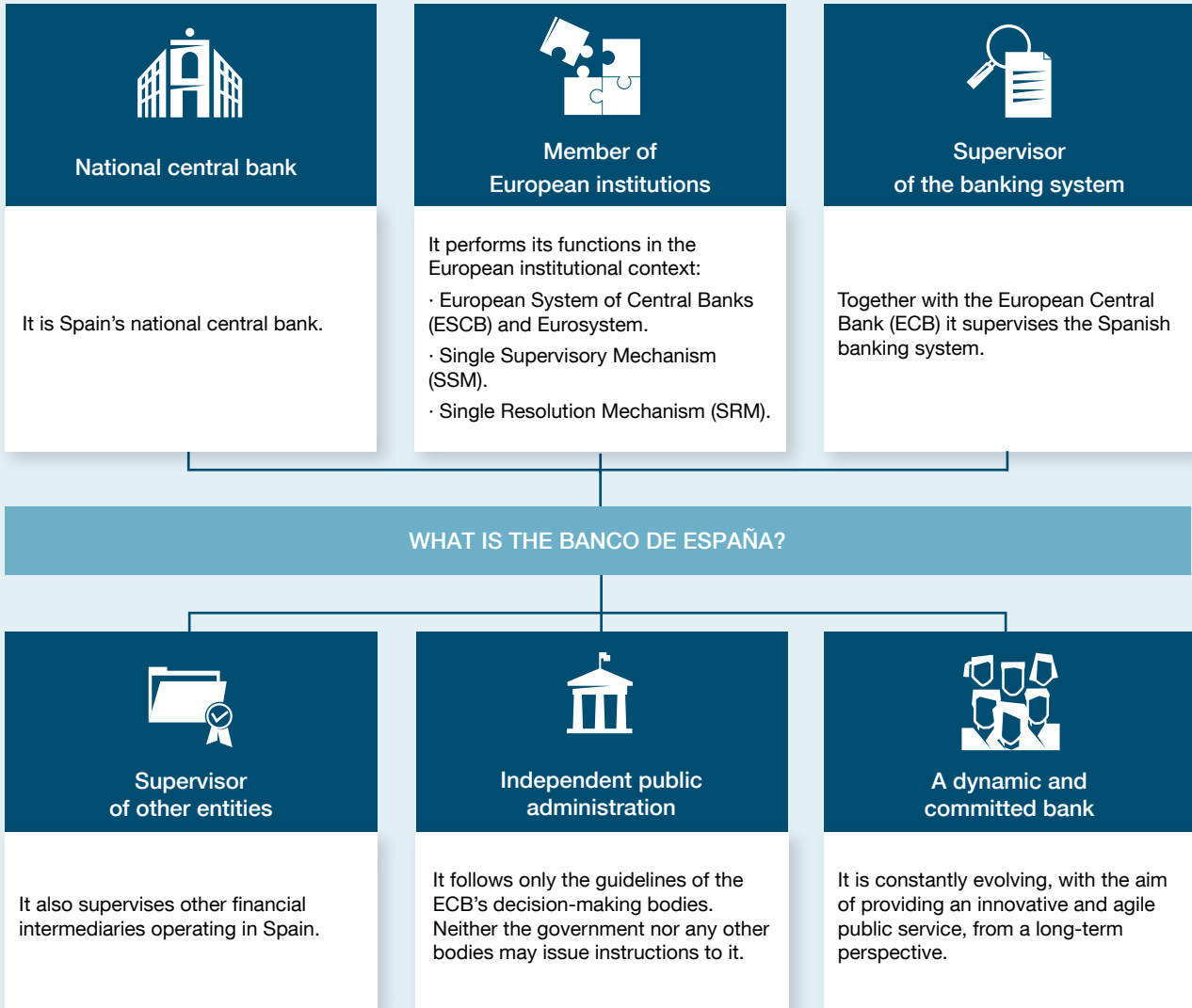
- 1 Simplified balance sheet and earnings

1

FUNCTIONS AND ORGANISATION OF THE BANCO DE ESPAÑA



1 THE BANCO DE ESPAÑA



FOCUS ON CONTINUOUS IMPROVEMENT: STRATEGIC DRIVERS 2025-2030



See the *Institutional Report 2024* for more information.

2 MAIN FUNCTIONS



DESIGNING AND IMPLEMENTING MONETARY POLICY

- To protect the general public's purchasing power:
- Participating in decision-making on key interest rates and the deployment of other monetary policy instruments.
 - Granting loans and opening deposits for private banks for the implementation of monetary policy in Spain.
 - Managing foreign currency reserves and precious metals.
 - Managing the foreign reserves transferred to the ECB.



ENSURING THE SYSTEM'S SOUNDNESS AND SOLVENCY

- To protect savings and prevent crises:
- Contributing to the development of global and European regulatory policy and drafting regulations (circulars).
 - Supervising significant institutions jointly with the ECB and directly supervising less significant institutions and other entities.
 - Overseeing financial stability, identifying and assessing systemic risks and designing and implementing macroprudential policy.
 - Drawing up and updating resolution plans for the orderly resolution of failing institutions.



MONITORING THE SMOOTH RUNNING OF PAYMENT SYSTEMS

- To ensure payments and the availability of cash:
- Overseeing the smooth functioning of domestic and European wholesale and retail payment infrastructures.
 - Providing and managing, in coordination with other central banks, certain wholesale payment infrastructures.
 - Supervising providers of retail payment services and overseeing the smooth functioning of their payment instruments.
 - Issuing and placing banknotes into circulation (in coordination with the ECB), together with coins (issued by the Treasury).



OTHER FUNCTIONS

- Protecting bank customers both ex ante, through the preventive supervision of institutions, and ex post, through audit actions and inspections and the settlement of disputes between banks and customers.
- Managing the accounts used by the Treasury and other public entities to make collections and payments.
- Helping to market government debt.
- Analysing the Spanish economy through numerous publications and research papers, to identify areas for improvement and provide advice.

See the *Institutional Report 2024* for more information on the Banco de España's functions.

3 GOVERNING BODIES



GOVERNOR

- Leads and represents the Banco de España and chairs its collegiate governing bodies.
- Appointed by the King, at the proposal of the Prime Minister, for a non-renewable six-year term.
- José Luis Escrivá has been Governor since September 2024.



DEPUTY GOVERNOR

- Stands in for the Governor when the post is vacant or in the event of the latter's absence or illness.
- Appointed by the Government, at the proposal of the Governor.
- Soledad Núñez has been Deputy Governor since September 2024.



GOVERNING COUNCIL

- Composed of the Governor, the Deputy Governor, six members appointed by the Government and two ex officio members.
- The General Secretary, the Directors General and a staff representative attend in a speaking but non-voting capacity.
- The current members are: Carles Manera, Luis Servén, Judith Arnal, Fernando Fernández, Lucía Rodríguez, Jordi Pons Novell, Paula Conthe (as General Secretary of the Treasury and International Financing) and Paloma Marín (as Vice-Chair of the National Securities Market Commission).



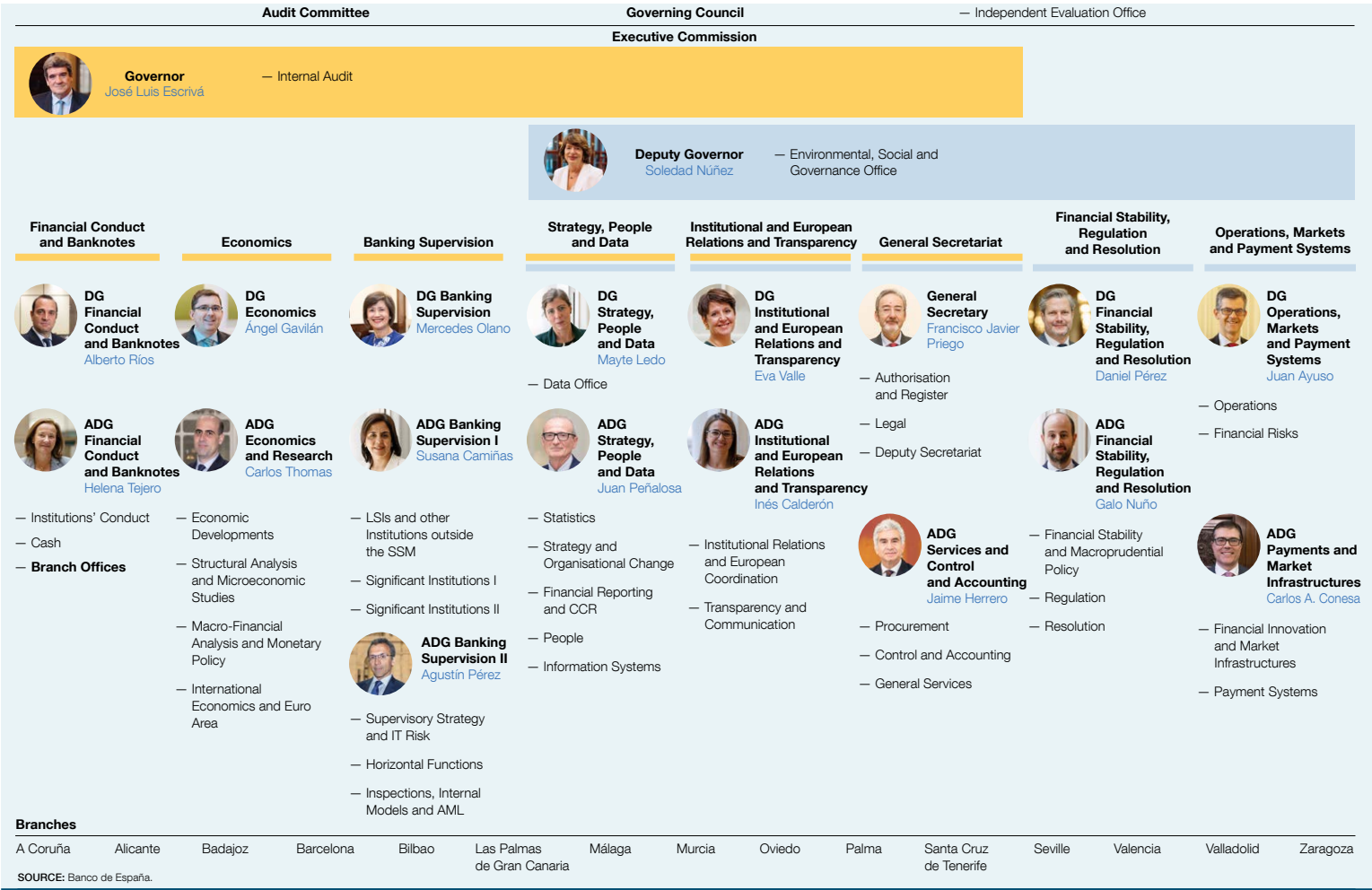
EXECUTIVE COMMISSION

- Composed of the Governor, the Deputy Governor and two council members appointed by the Governing Council from among its non-ex officio members (currently Fernando Fernández and Lucía Rodríguez).
- The General Secretary and the Directors General attend in a speaking but non-voting capacity.

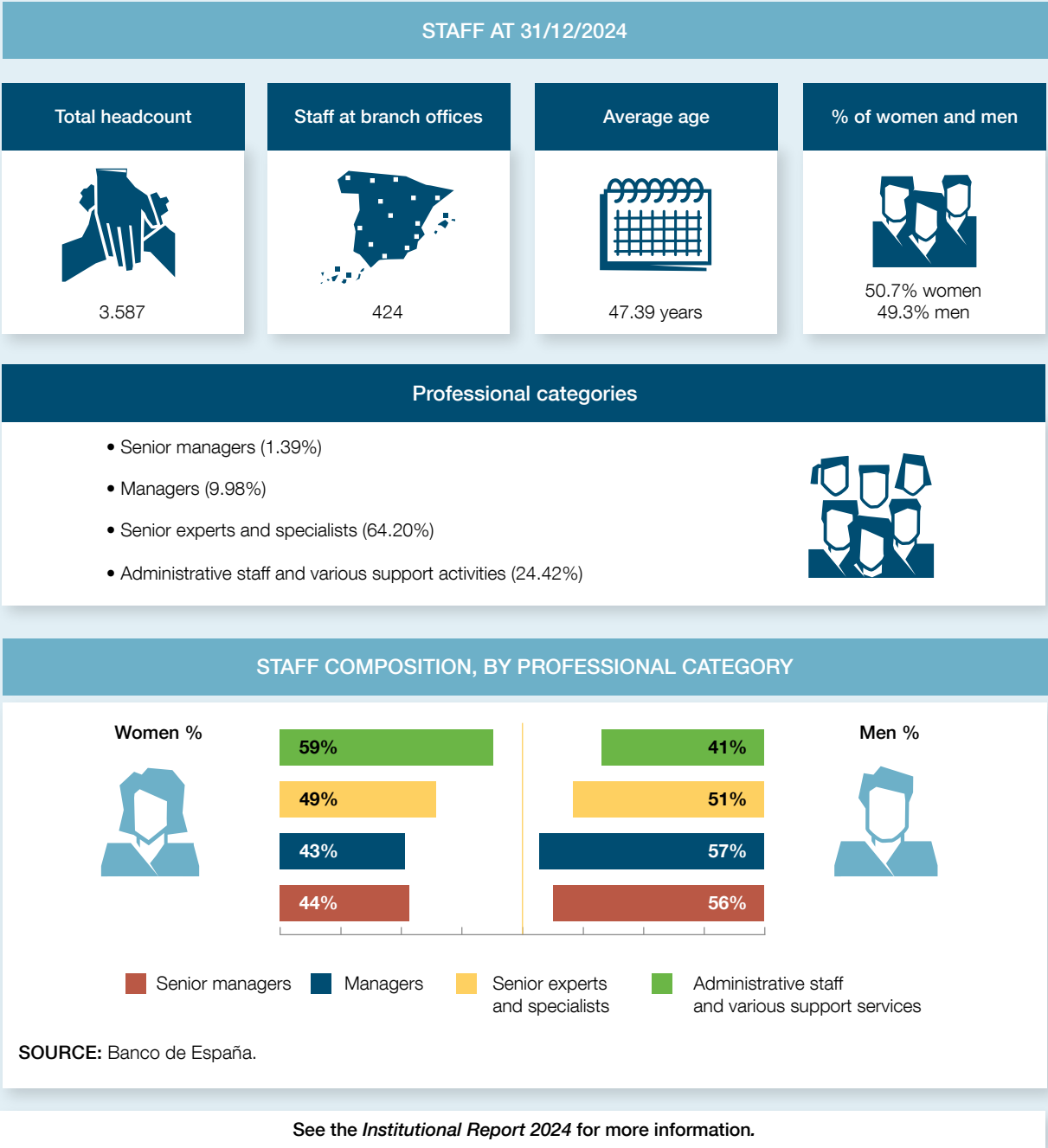
See the *Institutional Report 2024* for more information on the Banco de España's governing bodies.



4 ORGANISATION CHART



5 STAFF



6 BRANCHES AND SPECIAL PURPOSE ENTITIES



SOURCE: Banco de España.

TWO SPECIAL PURPOSE ENTITIES

	CEMFI is a leading European institution in research and post-graduate studies in economics and finance. It was founded in 1987 by the Banco de España and aims to promote excellence in research and to educate new generations of economists.
	IMBISA is a company that manufactures euro banknotes. It is 80%-owned by the Banco de España and 20%-owned by the Spanish National Mint.

See the *Institutional Report 2024* for more information.

2

TRANSPARENCY, ACCOUNTABILITY AND RELATIONS WITH THE PUBLIC

TRANSPARENCY



Transparency is a core principle that is rooted in the Banco de España's institutional culture, guiding its activities and transforming it.

ACCOUNTABILITY



It is the counterpart to independence and essential to fostering confidence in the Bank's work among the general public.

RELATIONS WITH THE PUBLIC



The Bank works to strengthen ties with the public that it serves and to clearly and effectively communicate its mission, functions and purpose.

1 TRANSPARENCY AND ACCOUNTABILITY



TRANSPARENCY ...

- The Banco de España's **independence** is key to ensuring that its decisions are made without outside influence.
- This independence must go hand in hand with a high degree of **transparency and accountability**.
- By being transparent, the Banco de España clearly explains its decisions and policies, which enhances **public confidence** and ensures that its actions are understood and judged by citizens.












... AND ACCOUNTABILITY

The Banco de España **informs the public about its activities**. Some of the mechanisms of accountability are:





- the Transparency Portal;
- Banco de España publications;
- the Governor's appearance before Parliament;
- independent evaluations;
- other public appearances.



2 RELATIONS WITH THE PUBLIC

RELATIONS WITH THE PUBLIC	
 <div>In-person services for the general public</div>	<ul style="list-style-type: none">– Exchange of euro banknotes and coins for others of different denominations.– Collection of counterfeit banknotes and coins and exchange of damaged banknotes.– Subscribing to government debt.– Requests for risk reports from the Central Credit Register (CCR).– Submission of complaints and queries as a user of banking services.– Submission of documentation to the General Register.– Deposits to public bodies with accounts at the Banco de España.– The Banco de España library and Historical Archive are open to the public.
 <div>Banco de España website and portals</div>	<ul style="list-style-type: none">– The Banco de España's institutional website (www.bde.es) was relaunched one year ago.– Other Bank portals include: the Transparency Portal, the Virtual Office, the Bank Customer Portal, the Education Portal, the Finance for All Portal, the Economic Research Portal (English only), the Art Collection and the Careers Portal.
 <div>Virtual Office</div>	<p>More than 5 million Virtual Office views and 700,000 files downloaded.</p> <p>The Banco de España continues to promote a fully electronic administration in its interactions with the public, enabling natural and legal persons to exercise their rights and fulfil their obligations electronically.</p>
 <div>General Register</div>	<p>The Banco de España has a Single General Registration System (Central Register, Auxiliary Registers and Electronic Register) for processing incoming and outgoing requests, documents and communications relating to the procedures and services within its remit.</p>
 <div>Electronic notification service</div>	<p>The Electronic Notification Service is the Banco de España's system for sending notifications and electronic communications quickly and easily via the Single Enabled Electronic Address (DEHú).</p>
INITIATIVES TO PROMOTE AWARENESS OF THE BANCO DE ESPAÑA	
<div>Open Government Week</div> 	<p>For the third consecutive year, the Banco de España took part in this initiative by hosting workshops about the institution, the services it provides and current affairs issues. These were held both at its headquarters and in branches.</p>
<div>Activities at branches</div> 	<p>Representatives from public administrations, universities, professional associations and business operators visited the branches, which organised events and participated in educational initiatives.</p>
<div>Presentation of economic reports at various venues across Spain</div> 	<p>The Banco de España presented its <i>Annual Report</i>, quarterly reports and projections. These were taken to universities and institutional meetings were held in various cities.</p>
<div>Guided tours</div> 	<p>The Banco de España opened its doors to offer access to the architectural wealth of the building in Plaza de Cibeles with free guided tours and participated in events such as Architecture Week, Open House Madrid and the Madrid City Council's <i>Madrid Otra Mirada</i> programme.</p>

3 EDUCATIONAL ACTIVITIES OF THE BANCO DE ESPAÑA

THE BANCO DE ESPAÑA'S EDUCATIONAL ACTIVITIES			
 <div>Financial Education Plan</div>	 <div>Educational workshops on Banco de España premises</div>	 <div>Economic education initiatives</div>	 <div>Bank Customer Portal</div>
<p>More than 1,000 schools signed up for the 14th School Financial Education Programme.</p> <p>This initiative was recently refreshed to align with the EU financial competence framework.</p> <p>In the 2023-24 school year, 138 educational institutions from across the country participated in the Financial Literacy School Competition.</p> <p>The quarter and semi-finals were held at various branches of the Banco de España.</p> <p>The Banco de España coordinated activities for Global Money Week throughout Spain, reaching 270,000 people.</p>	<p>More than 5,200 attendees participated in the weekly workshops under the title “hazQTRente: understand your finances, decide your future”. These workshops are primarily aimed at students and cover basic personal finance concepts and fraud prevention.</p> <p>Nearly 15,000 attendees took part in educational workshops conducted throughout the branch network, focusing on the functions of the Banco de España and other topics of interest.</p> <p>In addition, the Banco de España branches integrated other financial education programmes into their institutional work, organising training sessions for more than 5,500 people on a range of issues.</p>	<p>In 2024 the Banco de España launched an economic education programme on its website, aimed at a non-expert audience. This programme sought to teach a basic understanding of economics and finance. Modules on monetary policy and financial risks were released in 2024.</p> <p>The Generation Euro Students' Award, targeting secondary school and vocational training students, promotes understanding of the Eurosystem and its monetary policy.</p> <p>The 14th edition of the competition got under way with 520 teams and a total of 2,000 students. The customary training event for the teachers of the teams who made it through to the final also took place.</p>	<p>The Bank Customer Portal provides information on banking products and services.</p> <p>It also covers other topics of interest, such as digital finance, inheritances, fees and commissions, sustainable finance and fraud prevention.</p> <p>The Portal is user-friendly and uses accessible language.</p> <p>It provides simulators and guides to ask questions and lodge complaints.</p> <p>In 2024, there were 7.6 million page visits to the Portal, with the simulators and the weekly blog being the most popular.</p>

3

ACTIVITY REPORT

MAIN ACTIVITIES IN 2024



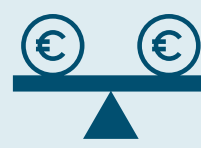
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MONETARY POLICY, ASSET
AND FINANCIAL RISK
MANAGEMENT AND
PAYMENT SYSTEMS



2

SUPERVISION
OF FINANCIAL INSTITUTIONS



3

FINANCIAL STABILITY AND
PREVENTIVE RESOLUTION



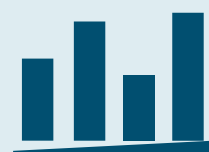
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BANKNOTES AND COINS



5

RESOLUTION OF BANK
CUSTOMER COMPLAINTS
AND ENQUIRIES



6

STATISTICS, FINANCIAL
REPORTING AND THE
CENTRAL CREDIT REGISTER



7

ECONOMIC ANALYSIS



8

ENVIRONMENTAL
SUSTAINABILITY



9

THE BANCO DE ESPAÑA
ON THE EUROPEAN AND
INTERNATIONAL STAGE

See the *Institutional Report 2024* for more information on the Banco de España's activities.

1 MONETARY POLICY IMPLEMENTATION, ASSET AND FINANCIAL RISK MANAGEMENT AND PAYMENT SYSTEMS

What does it involve?

Monetary policy includes the decisions and actions taken by the Eurosystem to influence the cost and availability of money and ensure price stability.

Why does it matter?

In a context of stable prices, money retains its value and people and businesses can better plan their spending and investments.

What does the Banco de España do?

As part of the Eurosystem, the Banco de España works together with the ECB and its fellow euro area central banks to design and implement monetary policy.

What's the goal?

The Eurosystem's objective is to keep inflation at 2% over the medium term.

Main activities in this area in 2024

Monetary policy



The Eurosystem maintained a restrictive monetary policy in 2024, before easing its stance over the second half of the year, lowering key policy rates and reducing asset purchase programmes, and tilted reinvestments towards issuers with a better climate performance, in line with the Paris Agreement.

Asset and financial risk management

The Banco de España leads the development of the Eurosystem Collateral Management System project and works with the Banque de France to provide a common platform to manage the market operations of several central banks (including, since 2024, the Central Bank of Ireland).



Payment systems and market infrastructures



In 2024 the Banco de España authorised an amendment to the regulations of Iberpay to allow the settlement of interbank obligations arising from different domestic and international operations in the National Electronic Clearing System.

See the *Institutional Report 2024* for more information about this activity.

2 SUPERVISION OF FINANCIAL INSTITUTIONS

What does it involve?

The Banco de España's supervisory activities seek to ensure that the financial system operates in accordance with regulations and best practices.

Why does it matter?

The financial system plays a key role in economic development, channelling money from savers to the businesses and households that need it. Moreover, payment systems provide efficient mechanisms for the payment of purchases of goods and services.

What does the Banco de España do?

It monitors compliance with the regulations related to the financial position and solvency of institutions, payment services and customer protection.

What's the goal?

To promote the smooth functioning of institutions and the payment system with the ultimate aim of safeguarding the stability of the financial system.


Main activities in this area in 2024

Authorisation and registration of institutions



Institutions subject to Banco de España supervision must obtain authorisation or register in order to be able to operate, as many of the activities they conduct are subject to vetted access and name restrictions. The general public can consult data on registered institutions in the Register of Institutions of the Banco de España. A further 225 institutions were added in 2024.

Prudential, conduct and market infrastructure supervision



Microprudential supervisory activity continued in 2024 and focused on: credit, liquidity and interest rate risk management; the functioning of management bodies; data quality; climate risk; and digitalisation and technological risk.

Conduct supervision in 2024 mainly focused on verifying compliance with the measures in the codes of good practice and those for providing relief for interest rate rises on mortgage loans; oversight of product bundling; digital banks; due customer care; payment fraud from a customer protection perspective; and internal controls on advertising.

Sanctioning activity



In 2024, nine sanctioning proceedings were initiated against institutions and directors and executives, involving action against 18 institutions and 37 positions or individuals in total. Five proceedings were resolved in the year, of which two were initiated in 2024 and three in 2023.

See the *Institutional Report 2024* for more information about this activity.

3 FINANCIAL STABILITY AND PREVENTIVE RESOLUTION

What does it involve?

The Banco de España helps to keep the Spanish financial system stable. Based on the systemic risks identified, it can adopt macroprudential policy measures aimed at mitigation and prevention, thereby making the banking sector more resilient. This function is complemented by preventive resolution, and the Banco de España is the authority responsible for drawing up resolution plans for the credit institutions under its remit.

Why does it matter?

If a financial system is stable, it will be able to absorb the impact of shocks and the materialisation of risks without the financial intermediation process being damaged in such a way as to cause significant harm to economic activity. In preventive resolution, it is essential to plan the measures to be implemented in the event of the failure of a credit institution.

What does the Banco de España do?

The Banco de España continuously monitors the risks and vulnerabilities of the financial system and looks into the possible deployment of macroprudential measures. In addition, among other tasks, it conducts stress tests, draws up resolution plans for credit institutions and determines their minimum requirements for own funds and eligible liabilities (MREL).

What's the goal?

To continue working to strengthen financial stability, which is key to the well-being of society, as well as to ensure that credit institutions attain a suitable level of resolvability.

Main activities in this area in 2024

Financial stability and macroprudential policy



The Banco de España reviewed the framework for setting the countercyclical capital buffer (CCyB) for credit institutions and activated it in October 2024, for the first time, at a rate of 0.5%. This measure was warranted by the identification of a standard level of cyclical systemic risk (an intermediate level between high and low risk).

The Banco de España also identified the systemically important Spanish credit institutions and set their macroprudential capital buffer rates. In this area, the Banco de España coordinates closely with other national and European authorities.



Preventive resolution



In 2024, working in close collaboration with the Single Resolution Board, the Banco de España drew up resolution plans for 40 Spanish credit institutions and four foreign groups with subsidiaries in Spain. It also determined banks' MREL and continued to analyse their ability to achieve an adequate level of resolvability.

See the *Institutional Report 2024* for more information about this activity.

4 BANKNOTES AND COINS

What does it involve?

The Banco de España issues euro banknotes and, on behalf of the Spanish state, puts euro coins into circulation.

What does the Banco de España do?

It estimates future banknote and coin needs; it oversees banknote production; it safeguards and distributes cash; it checks the authenticity and condition of cash; and it destroys any banknotes that are unfit for circulation.

Why does it matter?

Cash fulfils two basic functions: it is a means of payment and a store of value. It is also accessible to everyone, is key to the social inclusion of vulnerable people and allows payments to be settled without third-party involvement.

What's the goal?

To meet the demand for cash throughout the country and ensure the integrity of banknotes and coins.

Main activities in this area in 2024

Banknote and coin management



In 2024, as in 2023, the net issuance of banknotes in Spain was negative, due to the importance of the tourism sector in Spain and, more specifically, to the cash brought by tourists from their countries of origin.

Net issuance of coins was positive and similar to 2023 levels, although 56% more coins were withdrawn from circulation in 2024 than in 2023.

Cash and other means of payment



According to the third edition of the *Study on cash use habits*, published in 2024, cash continues to be the most commonly used means of payment, although its daily use declined and payments using mobile devices increased.

In the wake of the flash floods, the Banco de España implemented support measures for those affected to facilitate the exchange of banknotes and coins (staff increases, suspension of prior appointments and cooperation with local banks). It also monitored cash availability and that ATMs were working properly.

Fight against counterfeit banknotes and coins



A total of 73,605 counterfeit banknotes were detected in 2024, 24% more than in 2023. The €50 note was the most counterfeited denomination, followed by the €20 and €10 notes. In the Eurosystem, Spain ranks third in the detection of counterfeit banknotes. 42,110 counterfeit coins were withdrawn from circulation, 27% more than in 2023. The €2 coin remains the most counterfeited coin, accounting for 95% of all those withdrawn.

To combat counterfeiting, the Banco de España continued its efforts to improve awareness of the characteristics and security features of euro banknotes and coins.

See the *Institutional Report 2024* for more information about this activity.

5 RESOLUTION OF BANK CUSTOMER COMPLAINTS AND ENQUIRIES

<p>What does it involve?</p> <p>The Banco de España handles and resolves complaints and responds to enquiries submitted by users of financial services regarding conduct regulations, transparency and customer protection.</p>	<p>Why does it matter?</p> <p>The analysis of individual disputes is not only a free and efficient service offered to the general public, but also a source of relevant information for the institution's supervisory expertise. It plays a key role both in fostering appropriate conduct by institutions towards their customers and in improving regulation.</p>
<p>What does the Banco de España do?</p> <p>The Banco de España takes a detailed look at all complaints and enquiries submitted by users of banking services in relation to banking operations, conduct regulations, transparency and customer protection. It also advises them on the legal channels available for exercising their rights.</p>	<p>What's the goal?</p> <p>To ensure, by analysing complaints and resolving enquiries, the correct application of conduct regulations, transparency and good banking practices.</p>

Main activities in this area in 2024

Complaints



In 2024, a total of 56,407 complaints were processed, a 69.9% increase on 2023 and an all-time record since the service was set up 37 years ago. Three out of every five complaints were about mortgage loans, largely in connection with applications for the reimbursement of arrangement costs.

Enquiries

It was also a record year in terms of enquiries handled, with a total of 54,528, up 9.9% on 2023. Written enquiries (9,001) related mostly to accounts, transfers and debits (24.2%) and mortgages (23.6%), while those handled over the phone (45,527) concerned Banco de España operations (20.8%) and the complaints procedure (18.2%).



Dissemination of the activities carried out by the complaints and enquiries area



The Banco de España has made a consultation tool designed with Power BI available to the public. The *Compendium of good banking practice criteria* and the annual *Complaints Report* were also published. In October and November events to launch the *Complaints Report* were held at six branch offices.

See the *Institutional Report 2024* for more information about this activity.

6 STATISTICS, FINANCIAL REPORTING AND THE CENTRAL CREDIT REGISTER

What does it involve?

The Banco de España compiles and releases statistical information on various financial aspects of the economy and its participants.

The Central Credit Register (CCR) is a public service managed by the Banco de España that collects information on the credit risks that financial institutions hold with their customers.

Why does it matter?

Reliable statistics are key to informed decision-making by public administrations, businesses and households. They are also vital for defining monetary policy and understanding the risks assumed by financial institutions in order to assess their solvency.

Through the CCR, the Banco de España provides information to institutions so that they can assess the solvency of their current and potential customers and provides borrowers with reports on the risks that the institutions have reported to the CCR.

What does the Banco de España do?

The compilation of statistics requires the collection of basic information (provided mainly by financial institutions), which must be processed in line with international practices in order to ensure the highest standards so that the statistics can be disseminated effectively.

Through the CCR, the Banco de España gathers information on all of the exposures (loans and others) that reporting institutions have arranged with their customers.

What's the goal?

To provide the public with reliable, useful, high-quality statistical information in a timely manner.

As a public service, the CCR contributes to the supervision and inspection of institutions, to the performance of the functions assigned to the Banco de España and, ultimately, to improving the stability of the financial system.

Main activities in this area in 2024

Statistics



In 2024 statistical work focused on a benchmark revision of the summary statistics and of government debt along with other Spanish and European statistics bodies.

More datasets were made available in BELab, work continued on the Spanish Survey of Household Finances, user access to BEExplora was improved, training sessions were held, new agreements were signed and international events were organised.

Financial reporting



2024 also saw the publication of a new circular updating and harmonising the information to be reported by financial institutions.

The approved Royal Decree-Law 6/2024 of 5 November 2024, adopting urgent measures in response to the damage caused by the flash floods, envisages a statutory moratorium suspending payments on credit facilities and loans for those affected, which requires the updating and monitoring of beneficiary data.

Central Credit Register



In December 2024 the 407 reporting institutions filed information on more than 27 million borrowers holding 62 million loans and other exposures.

The CCR provided more than 459 million reports to institutions and nearly 890,000 reports to their borrowers. Moreover, 32,847 requests to exercise rights of rectification and elimination were handled.

See the *Institutional Report 2024* for more information about this activity.

7 ECONOMIC ANALYSIS

What does it involve?

Economic analysis and research are used to examine the national and international economic situation, make macroeconomic projections and carry out research to support the analyses.

Why does it matter?

It guides the monetary policy decisions taken by the ECB (in which the Banco de España participates), as well as the measures aimed at ensuring financial stability. It also enables the Banco de España to advise the government on other economic policies.

What does the Banco de España do?

It analyses and monitors areas such as the Spanish economy and its environment; economic policies, with particular attention to monetary policy in the euro area; and the financial and banking system.

What's the goal?

To provide analysis and research in support of some of the Banco de España's functions, such as defining monetary policy, advising the government and preparing reports.

Main activities in this area in 2024

Areas of study



The areas analysed included the dynamics of inflation and the monetary policy stance, the extent to which bank solvency levels in Spain are appropriate, the fiscal policy stance and implementation, recent trends in the Spanish labour market, housing market dynamics, the recent international banking crises and the repercussions of the digital euro.

Research activities

Research activities focused, among other issues, on the economic situation in Spain, the effects of geopolitical conflicts and various aspects of the Eurosystem's monetary policy, including the review of the Eurosystem's operational framework, the interactions between monetary, fiscal and macroprudential policy, and the implications of climate change for monetary policy.



Economic research collaborations



In addition to the economic analyses, the Banco de España organised 33 seminars delivered by guest speakers, 39 delivered by in-house researchers and 14 conferences in 2024, covering areas such as the macroeconomic and financial aspects of climate change, the labour market and productivity, and the relationship between artificial intelligence and monetary policy. The Bank's researchers also made notable contributions to Eurosystem and international research initiatives and networks, such as research clusters, the Challenges for Monetary Policy Transmission in a Changing World Research Network and the annual Joint Research Program promoted by the Center for Latin American Monetary Studies, as well as to numerous high-level specialist seminars and conferences.

See the *Institutional Report 2024* for more information about this activity.

8 ENVIRONMENTAL SUSTAINABILITY

<p>What does it involve?</p> <p>Initiatives set in place by the Banco de España as part of its global commitment to combating climate change and driving the green transition.</p>	<p>Why does it matter?</p> <p>Climate change is an ever greater concern given its potential implications for financial stability, price stability and economic growth.</p>
<p>What does the Banco de España do?</p> <p>As part of its mandate, the Banco de España acts to foster the proper management of the risks associated with climate change, to promote the green transition and to reduce the environmental footprint of cash.</p>	<p>What's the goal?</p> <p>To steer prudential supervision and implement the necessary regulation, improve analytical capacity, study the monetary policy implications and make the institution more sustainable.</p>

Main activities in this area in 2024

<p>Environmental sustainability</p> 	<p>Financial stability, regulation and supervision</p> 	<p>Sustainability</p> 
<p>In September 2024, the Banco de España created the Environmental, Social and Governance (ESG) Office, which reports to the Deputy Governor. The aim of the office is to enhance internal coordination, improve analysis and drive awareness of ESG criteria at domestic and international level, as well as to provide strategic support to senior management.</p>	<p>The Banco de España worked on the detection of climate change-related threats to the financial system by identifying the associated risks. It also assessed the progress made by less significant institutions in incorporating climate change and environmental degradation risks within their internal procedures.</p>	<p>In 2024 the Banco de España calculated the carbon footprint of all its buildings and facilities in 2023, conducted an integral environmental inspection of all its buildings and began implementing an environmental management system in accordance with the ISO 14001 standard.</p>

See the *Institutional Report 2024* for more information about this activity.

9 PARTICIPATION IN INTERNATIONAL ORGANISATIONS



What does it involve?

The Banco de España is part of the European institutional framework and is represented at the main international economic and financial institutions, such as the International Monetary Fund and the Bank for International Settlements.

Why does it matter?

The Spanish economy is fully integrated within the global economy and, particularly, the euro area. Thus, in carrying out its functions and conducting its analyses, the Banco de España must be mindful of the international environment in which the Spanish economy operates.

What does the Banco de España do?

It takes part in numerous committees and working groups, as well as in discussions in the field of global financial architecture, contributing its expertise.

What's the goal?

To influence decision-making at the leading European and international institutions and forums, passing on and exchanging knowledge, experience and good practices.

Main activities in this area in 2024

Eurosystem and European Union

It played a prominent role in the activities of the ESCB, participating in the Governing Council and Supervisory Board of the ECB.

It supported the activities of the EBA and took an active role in its various structures.

European Banking Authority (EBA)

European Systemic Risk Board (ESRB)

It participated actively in the ESRB across all levels of its work. The Advisory Technical Committee of the ESRB, which prepares the work and discussions of the ESRB's General Board, was chaired by a representative from the Banco de España for another year.

It collaborated actively with the SRB in numerous committees and working groups on bank resolution.

Single Resolution Board (SRB)

Financial Stability Board (FSB)

Through its membership of the FSB Plenary, the Steering Committee and the Standing Committee on Supervisory and Regulatory Cooperation, the Banco de España worked on matters requiring international and cross-sectoral (banking, insurance and securities) coordination.

As a member of the BCBS, the Banco de España actively collaborated on all the working groups and co-led the update of the Core Principles for effective banking supervision. It also sits on the main BIS committees.

Basel Committee on Banking Supervision (BCBS) and Bank for International Settlements (BIS)

International cooperation

This activity channels the Banco de España's external relations and seeks to establish and develop stable cooperation links with institutions with which it shares interests and objectives. Particularly worth noting this year is the collaboration with central banks and institutions from Latin America and the Western Balkans and with central banks in Africa. The Banco de España signed a memorandum of understanding with the Central Bank of the Republic of Turkey. The number of cooperation activities rose to 275, almost 7% more than in 2023.

See the *Institutional Report 2024* for more information about this activity.

Highlights in 2024



- **1 February:** the Banco de España and the Central Bank of the Republic of Turkey formalise an international cooperation agreement.
- **12 February:** the National Statistics Institute, the State Tax Agency, the social security authorities, the State Public Employment Service and the Banco de España sign an agreement to allow joint access to their databases for scientific research in the public interest.
- **19 March:** 150th anniversary of the Banco de España's branch network.



- **4 April:** 50th anniversary of the BCBS and publication, following its presentation at the 23rd International Conference of Banking Supervisors, of the final revision of the *Core Principles for effective banking supervision*.
- **28 June:** the Banco de España publishes the first *Compendium of best banking practice criteria*.
- **3 July:** the CCR celebrates its 60th anniversary.



- **1 October:** the Banco de España announces its macroprudential decision to require credit institutions to hold a CCyB of 0.5% (effective in October 2025).
- **24 October:** joint conference on the impact of artificial intelligence on the macroeconomy and monetary policy.
- **4 November:** 10th anniversary of the Single Supervisory Mechanism.
- The Banco de España adopts measures to deal with the fallout from the **flash floods**.

4

INSTITUTIONAL SOCIAL RESPONSIBILITY



CONSERVATION AND DISSEMINATION OF THE BANK'S ARTISTIC HERITAGE

Promotion of the Banco de España's art collection with the addition of 86 pieces; online information on nearly 2,000 items.



RESEARCH GRANTS

10 grants for further studies and 2 annual grants for research projects in economic history.



HISTORICAL ARCHIVE

Online and printed publication of the Photographic Archive of the Banco de España, with more than 500 never-before-displayed photographs that span 150 years of both the Bank and the country's history.



BIBLIOGRAPHIC HERITAGE

100,146 pages from 614 works were digitised from the Banco de España's collection.



ARTISTIC HERITAGE

Inauguration of the exhibition "The Tyranny of Chronos" which displayed, among other significant works, the portraits of the Spanish King and Queen and outgoing Governor by Annie Leibovitz.



SOCIAL CONTRIBUTIONS

€1,936,979.87 awarded to institutions dedicated to economic research and analysis, educational and cultural activities, and social and humanitarian assistance.

1 INITIATIVES IN THE AREA OF INSTITUTIONAL SOCIAL RESPONSIBILITY

What is the Banco de España’s institutional social responsibility?

The Banco de España is committed to conducting its activities sustainably, both internally and externally, with the aim of actively contributing to the betterment of society, the economy and the environment.

Where can the Bank’s institutional social responsibility be seen?

- | | |
|---|--|
| 1 | Conservation and dissemination of the Bank’s artistic heritage |
| 2 | Environmental protection |
| 3 | Socially responsible public procurement |
| 4 | Contributions to social and cultural projects |
| 5 | Research grants |
| 6 | Measures to foster a more positive working environment |

Historical heritage

Bibliographic heritage	Historical Archive	Artistic Heritage
		

See the *Institutional Report 2024* for more information about institutional social responsibility.

2 BIBLIOGRAPHIC HERITAGE



LIBRARY



Since the Banco de España Library opened its doors in 1980, any citizen or institution has been able to consult its collections, which are being continually updated. In 2024 efforts to expand and digitise its collection continued, with a focus on acquiring journals and electronic resources.

SPECIAL VALUE COLLECTION



Special attention is given to this subset of the Library's collection, comprising more than 17,433 volumes produced or published between the 14th and 19th centuries. In 2024 a 14th-century codex was added that contains four medieval legal manuscripts and previously belonged to the Count of Campomanes.




EXHIBITION: "PATHWAYS AND LANDSCAPES. SPAIN IN TRAVEL WRITING"



Public exhibitions also offer an opportunity to showcase the Bank's bibliographic heritage. The Library's reading room hosted this exhibition between 18 September and 13 December 2024, with a selection of 31 pieces of travel writing from the Banco de España's collection.

See the *Institutional Report 2024* for more information about the bibliographic heritage.

3 HISTORICAL ARCHIVE

 <div>NUMISMATIC COLLECTION</div>	 <div>INSTITUTIONAL REPOSITORY</div>	 <div>PHOTOGRAPHY</div>
<p>The Banco de España has acquired several pieces this year to enrich its collection of banknotes, which spans from 1783 to the present day and includes foreign banknotes. Among the new acquisitions are the proofs of the 50 peseta banknote, dated 17 May 1927. The set consists of 12 banknotes that reflect the different stages of the banknote design process.</p>	<p>The Historical Archive of the Banco de España holds significant documents dating back to 1782, which are currently being digitised. In 2024, records of banknote exchanges during the Civil War and the Dictatorship (1936-60), architectural plans of Banco de España buildings and minutes of the Management Committee were digitised, among other documents.</p>	<p>The temporary exhibition “The Photographic Archive of the Banco de España. From Albumen to Pixel” featured a selection of 300 unpublished photographs covering the period from 1869 to the present. It showcased the history of the Bank in five themed rooms, highlighting portraits of employees, historical events and branch architecture. Photographs of the Gold Vault and the 13th International Monetary Conference were displayed. The exhibition also covered the Bank’s public activities since 1934 and the role of archives as custodians of memory.</p>



See the *Institutional Report 2024* for more information about the Historical Archive.

4 ARTISTIC HERITAGE

The Banco de España manages and preserves a diverse collection of historical and artistic assets, including paintings, sculptures and photographs. Conservation is also one of the Banco de España's most important responsibilities as far as its artistic heritage is concerned, with the ultimate aim of ensuring that it is passed on for the enjoyment of future generations. In 2024, preventive conservation measures were undertaken on 400 items and restorations were completed on another 25, notably the restoration of the Collection's clocks.














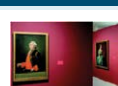

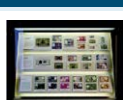
On 27 November 2024 "The Tyranny of Chronos" exhibition was inaugurated in the Banco de España's exhibition hall. It explored how time has been understood and represented throughout history, using pieces from the Banco de España and other institutions.

It was split into three parts: "Portraits Through Time", "I Don't Have Time" and "A Time Without a Clock". Each section addressed different aspects of time, such as its role in society or alternative ways of understanding it.

The exhibition featured works by 24 artists, ranging from 17th century tapestries to acquisitions from 2024. It included portraits of the King and Queen of Spain and the outgoing governor, Pablo Hernández de Cos, taken by Annie Leibovitz. There were around fifty pieces, many of them clocks that hold cultural significance in the West and are important to the Bank's history.

See the *Institutional Report 2024* for more information about this activity.

5 LINKS TO THE BANCO DE ESPAÑA'S ARTISTIC, HISTORICAL AND BIBLIOGRAPHIC HERITAGE IN PREVIOUS EDITIONS OF THE INSTITUTIONAL REPORT

INSTITUTIONAL REPORT 2023							
	Temporary exhibition: "The Architecture of Eduardo de Adaro and the Banco de España"		Collection of Securities Certificates		Exhibition: "Campomanes at the Banco de España Library"		Restoration of a painting by Asterio Mañanós
INSTITUTIONAL REPORT 2022							
	The banknote as a medium for images and ideas		Temporary exhibition "Flowers and fruits. Banco de España Collection"		Temporary exhibition: "(Un)Common Values"		The Governing Council of the Banco de España
INSTITUTIONAL REPORT 2021							
	Exhibition: "2328 reales de vellón"		Banco Nacional de San Carlos shares		Banco Nacional de San Carlos banknotes		Pieter Goos' 17 th century Marine Atlas
INSTITUTIONAL REPORT 2020							
	<i>Catalogue raisonné of the Banco de España's Art Collection</i>		Art Collection portal		Benito Pérez Galdós at the Banco de España		The history of the peseta
INSTITUTIONAL REPORT 2019							
	Banco de España central headquarters		First exhibition of the Special Value Collection		The Gold Vault		Reflections in a Golden Eye (2018), by Carlos Aires
INSTITUTIONAL REPORT 2018							
	Guide to the historical archives of banking in Spain		Restoration, photos by Jorge Ribalta		Restoration of 17 works from the Collection and other items		<i>Pegaso</i> (1903), a sketch for a banknote by José Villegas
INSTITUTIONAL REPORT 2017							
	Exhibition: "From Goya to the present day"		Review and update of the Goya Room		Recovery project for the photographic collection		Exhibition: "Goya in the Banco de España's documents"
INSTITUTIONAL REPORT 2016							
	Exhibition: "Economic issues and Cervantes"		Loans of works of art to other institutions		Sample of banknotes from the Numismatic Collection		First Preventive Conservation Plan

See the *Institutional Report 2024* for more information on the Banco de España's artistic heritage.

5

FINANCIAL INFORMATION OF THE BANCO DE ESPAÑA

Total assets: €917 billion



The Banco de España's total assets decreased to €917 billion in 2024 as a result of the restrictive monetary policy stance adopted in mid-2022 in response to rising inflation.

Securities held for monetary policy purposes: €566 billion



Since 2015 the Banco de España has acquired a significant volume of securities within the framework of monetary policy decisions, with the total figure standing at €566 billion at end-2024.

Result of monetary policy operations: -€8.4 billion



Monetary policy operations resulted in an €8.4 billion loss in 2024, compared with a €5.8 billion loss in 2023.

Gold and gold receivables: €22.7 billion



Holdings of fine gold ounces have remained constant over recent years, albeit appreciating steadily, reaching a market price of €22.7 billion at the end of 2024.

Own funds: €52.8 billion



In 2024, capital and reserves, general provisions and revaluation accounts, which constitute the Banco de España's own funds, increased slightly compared with 2023 due to a significant increase in the revaluation accounts, which offset the decrease in the general provisions released to cover losses.

Profit: €0 million



The Banco de España broke even in 2024, after applying provisions of €7,549 million. It is worth noting that the objective of a central bank is not to make a profit, but rather to fulfil its mandate of maintaining price stability.

1 SIMPLIFIED BALANCE SHEET AND EARNINGS

Where can the Banco de España's economic and financial position be found?

The Banco de España's balance sheet gives a true and fair view of its economic and financial position. On the asset side, it records the funds available, while the sources of financing used can be seen on the liability side.

Simplified balance sheet of the Banco de España as at 31 December 2024

€m

ASSETS	LIABILITIES
Gold and foreign currency-denominated assets 105,378	Banknotes in circulation 172,796
Euro-denominated own funds portfolio 27,826	
Monetary policy loans 18	Deposits held by credit institutions 210,321
Monetary policy portfolio 566,412	Intra-Eurosystem liabilities 446,668
Intra-Eurosystem assets (banknotes) 199,341	Other liabilities 34,217
Other assets 17,789	Own funds 52,762
TOTAL 916,764	TOTAL 916,764

Profit and loss account

In the exercise of its functions, the Banco de España earns income and incurs various expenses. Annual profits are transferred in full to the Public Treasury. Historically, the institution has consistently earned profits through its activities. However, this trend was interrupted in 2023 and losses were again reported in 2024. The ECB also recorded losses in 2023 and 2024.

See the *Annual Accounts of the Banco de España* on the institution's website for more information on the balance sheet and the profit and loss account.

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