



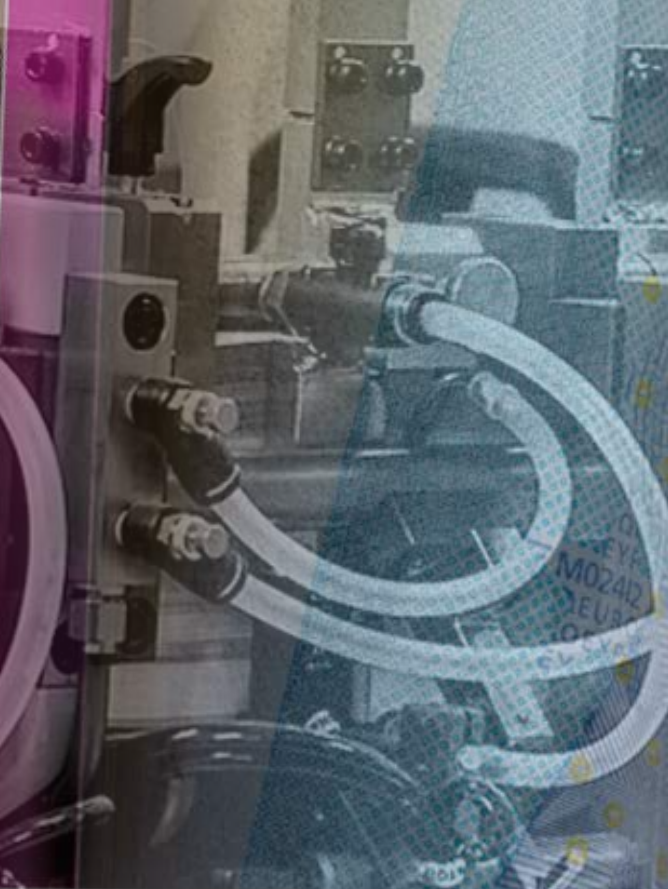
ANNUAL REPORT **FNMT-RCM**

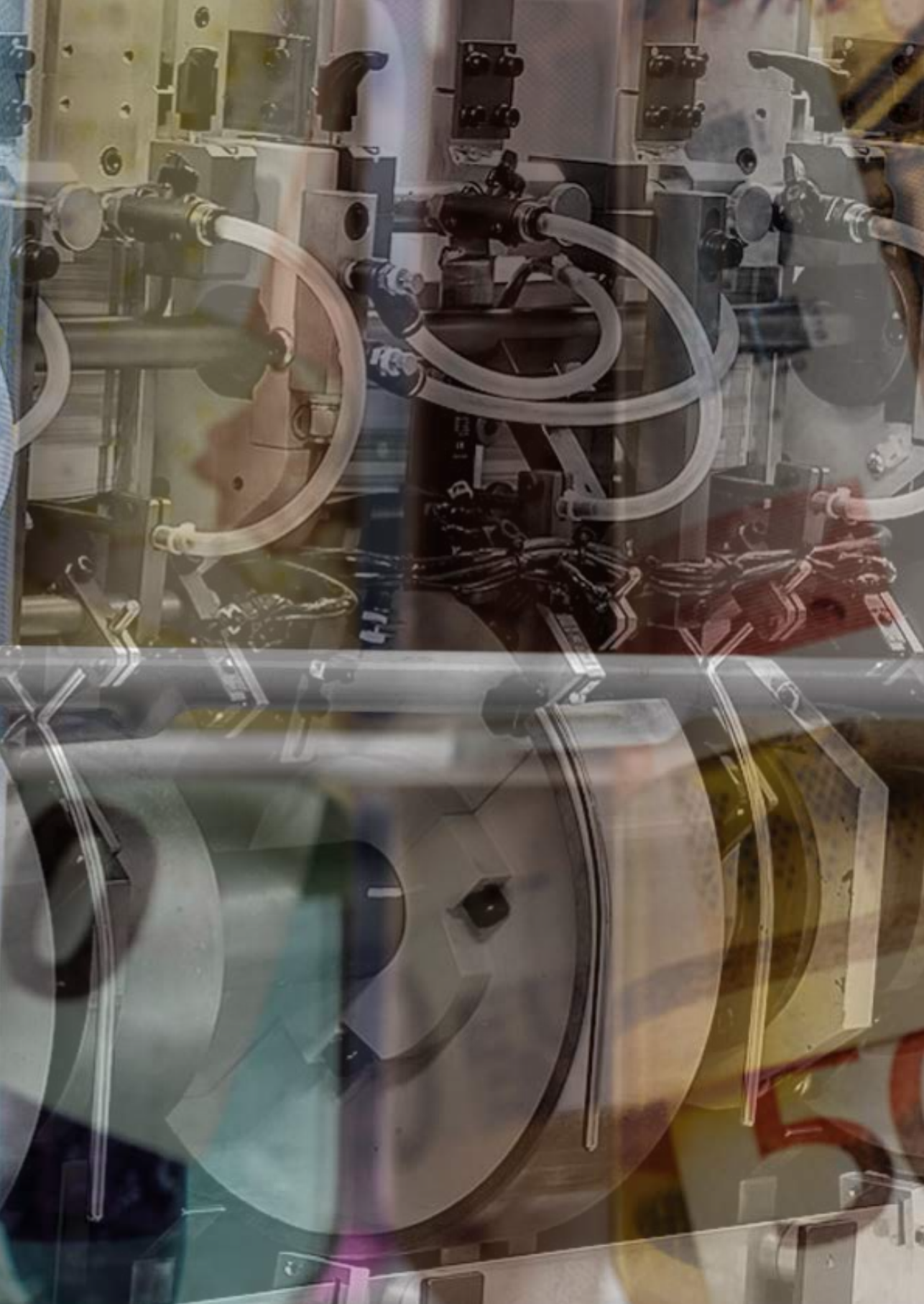


2020



Real Casa de la Moneda
Fábrica Nacional
de Moneda y Timbre





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Statement by the Chairperson-CEO

(G4-1) *

When writing, now in 2021, this statement for last year's Annual Report, the first idea that comes to mind is that, fortunately, 2020 is over; and the second, more important for all of us, is that, as we look back several months later, we have made a fairly good job of weathering the storm and are coming out of the crisis more successfully than other sectors, undoubtedly becoming stronger as a company, as people and as professionals. Moreover, it was the year in which FNMT-RCM's status as an independent body was extended to the autonomous and local scopes under Royal Decree-Act 11/2020, March 31, whereby our field of opportunity is greatly enlarged.

Nevertheless, like society in general, FNMT-RCM was seriously affected by the worldwide pandemic which broke out in March. This unfortunate circumstance forced upon us the opportunity to put to the test the institution's capacities and qualities in actual conditions of a grave, deep, lasting, changing emergency of a magnitude hitherto unknown.

The overall conclusion is that FNMT-RCM withstood the impact and, generally speaking, maintained its production and provision of basic services to citizens and institutions. At the same time, the number of cases among the workforce has remained below the average in

* Global Reporting Initiative Indicators (information on Page 128 et seq.).



terms of population, despite the fact that our activity involves a large degree of onsite work.

The aim, however, was not just to ensure minimum essential services, which in itself was no mean task, especially in the toughest periods of lockdown: FNMT-RCM has gone beyond this. Thus, from the outset, the institution's vocation as a provider of a public service translated to the ethical commitment and the ensuing, urgent task of placing our capabilities at the disposal of the community and its institutions.

The material fulfilment of that public service commitment; i.e., the list of capabilities and procedures which have been strengthened or newly created, would be too long to enumerate here. Many of them were aimed at the provision of telematic resources which would ensure a service with total electronic security and legal validity whilst avoiding travel and physical contact among the population. Thanks to these initiatives, a number of which are here to stay, we have also covered services peculiar to other bodies which had fallen into a precarious situation on the back of the pandemic.

We too had to evolve, and fast, as shown, for instance, by the net growth of virtual methodologies at all levels possible within the organisation and in the digitisation of learning and knowledge, all of which, in addition, opens the door in the short term to possibilities in the areas of personal, professional, corporate and cultural development.

Of course, FNMT-RCM's resilience and its ability to protect both itself and others are not born of chance. Besides its centuries-old trajectory and its pre-existent strengths as an essential, critical structure of the State, it is important to take into consideration, albeit very briefly, that we already had a broad, tested and retested Continuity Management System, along with our own healthcare and occupational health and safety structure, all duly certified.

It is likewise worth mentioning the huge material and organisational effort deployed from the onset of the epidemic in terms of information security and IT platforms for teleworking.

Nor must we forget, obvious as it may be, the leading characters in this story: our workforce, their representatives and their management, together with institutional customers and suppliers, offering their cooperation and understanding. Suffice to say, by way of example, that the pandemic hit when we were working both on the plan to lay the foundations for the future general transformation of the institution and, from over two years before, on the design of new digital products and services. As a result, we were able to activate them immediately and make FNMT-RCM available as a useful technological instrument at the service of the public sector.

Having said all this, I consider that this year, COVID-19 provides me with a licence not to linger, as in previous editions, over FNMT-RCM's values and resources, which, of course, remain in place, if anything, stronger than before. The various chapters of this Annual Report provide sufficient information in this regard, the salient points of the year 2020 having been referred to at the start of this statement: despite coronavirus, we have remained operative and have even gone so far as to extend our mission as an instrument for public service. Accordingly, one of the most noteworthy achievements lies in the fact that day-to-day tasks have not been interrupted while we have responded and adapted to the new needs of the public, the Administrations and customers in general. In so doing, we have grown as an organisation, broadening our catalogue of certifications, developing projects of great significance to our institution, such as the new bylaws and the coming FNMT Corporate Plan 4.0, along with innovation and progress in the Digital Administration. To be continued, for sure.

Lidia Sánchez Milán

Chairperson-CEO

Preparation of the Annual Report

This Annual Report of Fábrica Nacional de Moneda y Timbre-Real Casa de la Moneda (FNMT-RCM) has been prepared in accordance with the requirements and guidelines for the preparation of Sustainability Reports Version 4 (core option) issued by Global Reporting Initiative (GRI) and there has been no restatement of any information included in previous years for the purpose of comparison. [\(G4-3\)](#) [\(G4-22\)](#) [\(G4-32\)](#) *

The reports are issued annually, the present one covering the period from January 1 to December 31 2020. [\(G4-28\)](#) [\(G4-29\)](#) [\(G4-30\)](#)

Neither the financial statements nor the body of the report contain data about investee companies or joint ventures. [\(G4-17\)](#)

The contact point for questions regarding the report is FNMT-RCM's Coordination and Technical Assistance Department. [\(G4-31\)](#)

* Global Reporting Initiative Indicators (information on Page 128 et seq.).



Although the content of this report has not been verified externally, as a State-owned Enterprise, FNMT-RCM's Annual Accounts and Management Reports are published in the Official State Gazette (BOE) and are audited annually in accordance with Public Sector Auditing Standards and those of the State's General Auditing Body. **(G4-33)**



Materiality and boundary

When determining the report's content and boundary, the process outlined below was followed: **(G4-18)**

IDENTIFICATION

The basic contents indicated in the GRI Guide were analysed with a view, following their proposal, to building a preliminary list of issues potentially relevant for FNMT-RCM.

PRIORITISATION

Issues were valued by category and the measures taken and were prioritised in accordance with their impact on the organisation, resulting in the list of material issues.

VALIDATION

The contents and material aspects of the Annual Report were checked against the criterion of the institution's personnel involved in the actions.

REVIEW

Obtaining the aspects' materiality matrix by category.

This Annual Report covers material aspects included in the categories of Economic, Environment and Social Performance relating solely to FNMT-RCM as no data about the institution's investee companies is included. **(G4-19) (G4-20)**

Moreover, by means of surveys and meetings with suppliers and customers, it has been possible to establish that the aspects considered as material in this Annual Report are also considered as such by those organisations belonging to the groups described in the section titled Stakeholders. **(G4-21)**

The institution

Its history in brief

Dating as far back as December 2 **1467**, there is documentary evidence of the creation of a mint in Madrid by Enrique IV de Castilla. Of this undertaking, a few reminders still exist today in the form of a number of Enrique IV cuarto coins – the first to bear a letter M beneath a royal Crown, the mint's trademark. However, the establishment of the Madrid Mint as such came about by a royal commission issued by de Felipe III on February 18 **1614**, whereby the post of Treasurer was assigned to the Duke of Uceda and his successors. Production started on April 3 **1615** with the minting of two-escudo gold coins and four-real silver coins. In **1718**, with the arrival of the Bourbon Dynasty, the Madrid Mint became directly accountable to King Felipe V.

In the eighteenth century, the Madrid Mint witnessed a period of great splendour, personified during the reign of Carlos III by Tomás Francisco Prieto, Master Engraver of HM The King's Mints and founder of the School of Engraving. It was at this school that the artists who would later ply their trade both in Spain and in Spanish America were trained.

As the old building from the period of Felipe III began to deteriorate, from **1833** onwards, new proposals were submitted for the construction of new industrial premises. Work finally began in **1855** and the new building was inaugurated by Isabel II in **1861**. Situated in what is now Plaza de Colón, the building was shared from the outset with

EDA Y TIMBRE

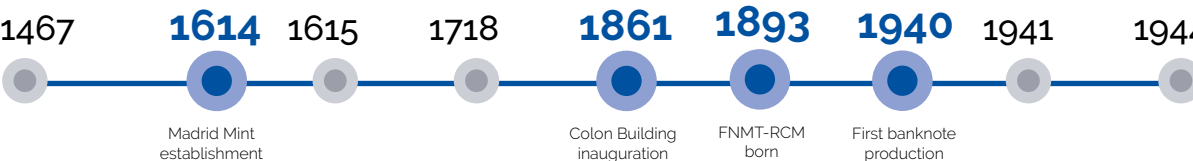


the Stamp Works. The origins of the Stamp Works date back to **1636**, when Felipe IV made it obligatory for contracts to be drawn up on sheets of stamped paper to guarantee their authenticity.

The two institutions, the Mint and the Stamp Works, operated as separate entities until **1893**, when the Queen Regent, Maria Cristina, had them merged into Fábrica Nacional de Moneda y Timbre. The nascent institution took over the functions of its predecessors and has been rendering a key service to Spanish society ever since. As a result of the synergies generated by the merger, the institution has succeeded in meeting each and every challenge it has had to face in the course of its history.

In view of the banknote shortage brought about by the Second World War, in **1940**, the government authorised FNMT-RCM to print paper money and, in **1941**, granted the institution preference over other national and foreign printers in banknote production. The first issue left its premises on October 21 **1940**. Later, so as to put an end to dependence on foreign suppliers, it was decided to set up a security paper mill in Burgos. Works were set under way in **1944** and by **1952**, the first band of watermarked paper was being produced.

The acquisition of more and more functions, combined with the obsolete facilities at the building in Plaza de Colón, brought the need to move again. Hindered by a number of difficulties, work on the new premises took over two decades, reaching completion in **1963**, with inauguration the following year. Once the prestigious

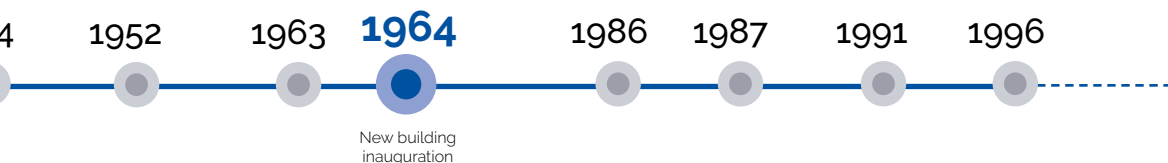


institution had settled into its then modern premises on Madrid's Calle Jorge Juan, it was assigned further tasks, such as the production of passports and National Identity Cards, along with items used in the area of State gaming: the National Lottery, betting slips and bingo.

Spain's growing involvement in various international bodies, above all its membership of the European Economic Community in **1986**, marked the dawn of a new period in which it would become necessary to adapt documents such as the passport, the driving licence, the residence permit and later, tachograph cards, to the requirements of the European authority. In this mission, FNMT-RCM, in conjunction with other relevant bodies, played a significant role, as indeed it continues to do today.

In **1987**, with the aim of immortalising the events scheduled for 1992 (the Barcelona Olympics, the Fifth Centenary of the Discovery of America and the Seville Expo), the Special Minting Workshop was set up. In the course of its existence, it has produced a vast number of coins recording key events for posterity.

FNMT-RCM's activities are not, however, confined to its traditional products. Underpinned by its capacity for innovation and forward vision, it stands at the forefront as regards products in the area of the new technologies. In **1991**, it started to make cards with a built-in chip, a product lending itself to a broad range of applications. In the mid-nineties, mindful of the rapid development of the internet



and its potential as a means of processing paperwork in the sphere of the Public Administrations, FNMT-RCM saw the need to endow electronic transactions with maximum security so that they would have the same legal validity as their paper equivalents. This realisation resulted in the birth of CERES (Spanish Electronic Certification), which went ahead with the completion of a viability study in May **1996**. Three years later, the State Tax Office (AEAT) greenlighted the use of electronic certification in income tax returns for the first time.

The euro presented a great challenge. In addition to making sizeable investments and adapting the existing technology to the characteristics of the coins and banknotes, FNMT-RCM had to cope with a huge production volume whilst making, for a certain period of time, two different currencies: the peseta and the euro. It was also a challenge from the point of view of logistics and security in that the distribution of euros and the withdrawal of the old peseta banknotes and coins were scheduled to begin on the same day: January 1, **2002**.

In **1999**, HM King Juan Carlos I bestowed the title of Real (Royal) on the institution, which thenceforth became known officially as Fábrica Nacional de Moneda y Timbre-Real Casa de la Moneda. On June 25 1999, the institution was issued with new bylaws, taking account of the new name while providing for a structure geared towards the development of FNMT-RCM's functions which, through the combination of its centuries-long experience and innovative technologies, enables it to continue offering maximum security in its various areas of activity.

In these early decades of the 21st century, FNMT-RCM's activity is conditioned by the need to adapt to an environment undergoing rapid technological, regulatory and social change so that it may continue to meet the demands of society and the Public Administrations and make ready for the future.

Legal status (G4-7)

In the course of its history, FNMT-RCM has had various legal statuses. As things now stand, it is a State-owned corporate entity as provided for under Act 40/2015, concerning the legal system governing the public sector. It is classified as a special public legal entity with its own equity and cash assets and is self-governing as stipulated in the above-mentioned act. It is attached to the Ministry of Finance, which, through the Office of the Under-Secretary, exercises strategic management and effectiveness control. Its current bylaws were approved under Royal Decree 1114/1999, June 25, with modifications under Royal Decrees 199/2009, February 23 and 390/2011, March 18.

Other capabilities legally attributed to FNMT-RCM are as follows, amongst others: the consideration of its products and activities as an essential public service (Royal Decree 1138/1984, April 11); authorisation to provide security services in communications by electronic, IT and telematic media (Act 66/1997, December 30); status as an independent body providing technical services to the General State Administration (Royal Decree 199/2009, February 23), extended this year to the autonomous and local public sectors under Royal Decree-Act 11/2020, March 31; status as Official Laboratory of the State Administration (Act 31/1990, December 27); and designation as issuer of tobacco product identifiers throughout the national territory under Order HAC/1365/2018, December 12.

Objects (G4-4)

- The minting of coins of all types in accordance with legislation applicable.

- The production of coin blanks and the striking of medals, along with similar tasks, for the State and private persons.
- The printing of banknotes in compliance with the legislation by which it is governed and in terms agreed upon with the Bank of Spain or the relevant issuing bank.
- The production of identification documents.
- The production of documents whereby the payment of whatsoever taxes or public charges is made effective; National Lottery tickets, forms and lists; and any document relating to other games as instructed by the Public Administration or their public bodies, be the latter attached to said Public Administrations or accountable thereto.
- The production of value or security documents as commissioned by any Public Administration or its public bodies, be the latter attached to said Public Administrations or accountable thereto.
- The stamping of all kinds of documents, stamps, signs or postage and franking effects, as established in the appropriate legislation, for the State or, as applicable, for public or private bodies or entities.
- The provision, within the scope of the Public Administrations and their public bodies, attached or accountable thereto, of security, technical and administrative services in communications via electronic, IT and telematic media and techniques (EIT), together with the issuance, production and supply of those user licences or certificates or card supports which may be necessary for such purpose, as provided for in Art. 81, Act 66/1997, December 30 and in the regulations deriving therefrom; or, as applicable, in those terms as may be established in the relevant legal provisions.
- The performance of activities or the provision of services related to the entity's branches of work referred to above for public or private persons or entities, both national and foreign.

- Whatsoever other as may be assigned to it by virtue of a legal provision or regulations deriving therefrom.

Notwithstanding the preferential nature of the various activities and services to be carried out for the Spanish State and its public bodies, be they attached or accountable thereto, FNMT-RCM performs its activities for other states and their bodies and also for non-national public or private entities as deemed fitting in accordance with the nature of its activity, as established in the pertinent regulations or, as applicable, in the terms and conditions set down in the relevant contracts or agreements.



Context

In the performance of its activity, the main effects which FNMT-RCM seeks to achieve in terms of its environment and its stakeholders are as follows:

- Come up to customers' expectations and achieve their loyalty by supplying high-tech, top-quality products and public services.
- Generate a safe, healthy working environment, driven by a lifelong training plan; and respect trade union rights and collective bargaining.
- Show ethical, responsible behaviour based on a Code of Conduct, which takes account of the values making up the institution's benchmark.
- Offer transparency, comply with clear contractual terms and conditions and ensure two-way communication through which to ascertain and meet stakeholders' needs.

- Minimise environmental impact as far as is absolutely possible, pursuing the best practices as regards processes, reducing the consumption of raw materials and energy and replacing traditional machinery and materials by more environmentally-sustainable alternatives.

The main risks entailed in the attainment of this context lie in the ongoing imperative to adapt to a constantly-evolving market and in the need to have effective communication channels conducive to the adequate management of the knowledge of a workforce of a high average age.

Conversely, opportunities arise in the lines of high-tech security products and services in countries and markets where the institution exerts a cultural influence, offering integral solutions in the areas of electronic certification, identification projects, coinage, security paper and so on.



Ethics and integrity

Values and principles (G4-56)

Actions by senior-management personnel and members of the Board of Directors comply with the ethical principles and of conduct pursuant to Act 3/2015, March 30, whereby the posts of high-ranking officials of the General State Administration are regulated. For its part, FNMT-RCM has developed the following ideas as part of its Corporate Plan:

MISSION

FNMT-RCM is a State-owned corporate enterprise whose activity lies in the scope of the public interest, generating a relationship of trust in the manufacture of products and the provision of

services for the Public Administration and, more specifically, for the citizen. This calls for the ongoing development of its products and services, which may just as easily be demanded by the private sector. The differentiating factor of its activity is the manufacture of top-quality products and the provision of first-class services with high-security components both used in the productive process and built into the end product.

VISION

To become a benchmark in the security field as regards both hardware and digital ware, compounding its role as a leading supplier of top-quality, innovative products and services to Public Administrations, private entities and the general public.

CODE OF CONDUCT

This document lays down the principles to be followed in the internal and external relations of the institution's managers and workforce. In addition, there is a Suppliers' Code of Conduct whereby it is compulsory for companies collaborating with, or hired by FNMT-RCM to assume the commitment of conveying said principles to their own managerial staff and workforce and, as applicable, to any subcontractors.

VALUES

- **Security:** All activities revolve round integral security.
- **Professionalism and efficiency:** A commitment to honest, responsible and efficient conduct in the discharge of duties, the overriding aim being excellence.
- **Equality:** A commitment to put an end to all forms of discrimination in corporate policies, strategies, culture and

practices as a firm example of the institution's responsibility in the spheres of gender equality and the empowerment of women.

— **Quality:** A commitment to quality which governs the institution's day-to-day activity, understanding and meeting needs while fostering ongoing improvement.

— **Confidentiality:** The institution's entire personnel act in accordance with criteria of discretion and prudence in the treatment of information and in their communications with third parties.

— **Sustainable growth:** Understood as industrial development compatible with care for the environment and environmental policies.

— **At the technological forefront:** Seeking to endow products and services with the very best of state-of-the-art technology.

— **Financial stability:** Aimed at maintaining the sufficiency of economic, human and technical resources so as to accomplish our mission.

— **Collaboration and commitment in respect of the Administration and public bodies:** To provide companies and citizens alike with the easiest access to the public services related to the institution's activity.

At FNMT-RCM, there is a Code of Conduct Follow-up Committee whose function is to monitor and control the code's application, in addition to preparing proposals for its modification or review. It is the responsibility of the institution's Management Committee to approve and interpret the Code of Conduct.

Any employee or person from one of the other stakeholder groups may submit queries and suggestions as to the institution's Code of

Conduct, as well as report any failure to comply with this code. They may do so via the institution's electronic platform or the website address: <https://rec.redsara.es/registro/action/are/acceso.do>

The system guarantees strict confidentiality and no anonymous reporting is accepted. The sender's identity is known solely to the Follow-up Committee and its auxiliary staff.

In 2020, there were no reports of non-compliance with the Code of Conduct.

Externally, requests to the institution for access to information must be filed via the Ministry of Finance's Transparency Portal or that of the General State Administration, given that, on account of its nature as a State-owned corporate entity accountable to the Ministry of Finance, FNMT-RCM cannot have its own Transparency Portal. Under Act 19/2013, December 9, concerning transparency, access to public information and sound governance, it is also possible for any citizen to lodge a complaint in this regard with the Council for Transparency and Sound Governance. **(G4-57) (G4-58)**



Premises

FNMT-RCM divides its activity between its headquarters in Madrid, where the bulk of industrial production and services is located, and its premises in Burgos, used exclusively for the production of security paper. The institution also has a high-security warehouse, situated in Madrid. **(G4-5)**

The Madrid building

The Madrid building stands on a rectangular footprint bordered by the streets of Jorge Juan, Doctor Esquerdo, Duque de Sesto and Máiquez. The longest facades (300 m each) overlook the streets of Jorge Juan, where the main entrance is situated, and Duque de Sesto, the location of the loading bays and vehicle access. The facades on Doctor Esquerdo, where the entrance to the museum, Museo Casa de la Moneda, is found, and on Máiquez have a width of 84.6 m each. Of imposing proportions, the building combines classicism with an industrial style.

The matching doors on Jorge Juan and Doctor Esquerdo, with their flights of steps and strikingly massive pillars, along with the corners, decorated in granite ashlar, are a clear example of the classicism predominant in Spanish architecture in the period from 1940 to 1960. The frontispieces placed between the doors and corners and dressed in brick speak of the building's industrial nature, while their position, set back from the pavements with a fosse in-between, lends an impregnable air to the entire structure. On the building's four storeys (five in the central area), industrial sections alternate with areas decorated in marble, fine wood and gold leaf. There is also a basement, occupied by vaults and various store rooms.


The Burgos Paper Mill

Situated to the west of the city on the right bank of the River Arlanzón, the Burgos premises occupy a piece of land measuring over 55,000 sq.m. The complex is bordered by a small fosse and a wire fence, leaving no doubt as to its function as a high-security compound. The mill is made up of a number of pavilions with brick facades which, aesthetically speaking, bear a close resemblance to the sides of the Madrid building.

The high-security warehouse

So as to overcome the problem of space constraints affecting the storage of products, in 2007, a fully-robotised, high-security warehouse was opened, with 15,300 pallet lots. The warehouse is equipped with up-to-the-minute, anti-intruder security devices, video cameras inside and out and a fire-fighting system with a specialist in constant attendance.

COVID-19 (LA - 8) *



As was the case elsewhere in society in general, in 2020, FNMT-RCM's activity was marked by the new coronavirus pandemic. This unfortunate circumstance, however, provided the opportunity to ascertain the effectiveness of a number of the institution's strengths, not least the Business Continuity Management System currently in place and certified under ISO Standard 23001.

Thanks to this management system, the institution may count on an organisation in the form of the Crisis Cabinet, based on clear roles and responsibilities, which seeks to keep personnel safe at all times; is aware of the impacts if the company is unable to operate for a prolonged period of time; and determines the posts and resources that are indispensable to bring the processes back into operation while keeping downtime and cost to a minimum. This, moreover, is achieved by the systematic use of communication for the duration of the crisis.

The main measures adopted under the Business Continuity Management System during the pandemic were as follows:

- From the outset, the Crisis Cabinet convened repeatedly to ensure that senior management were kept up to date as regards the situation and could take the most appropriate decisions.
- There was constant communication with the workforce's representative body via a Follow-up Commission which approved measures to control and palliate the effects of

* Global Reporting Initiative Indicators (information on Page 128 et seq.).



the epidemic and coordinated working groups to prepare other measures focussed specifically on health.

- A specific section on COVID-19 was created on the intranet as the official channel for communication with all personnel. The information circulated through this section consisted in instructions and resolutions from management, measures regarding hygiene, good practice protocols and suggestions as to how to cope with the various situations which might arise.

- Megaphones and posters were used to disseminate messages aimed expressly at encouraging the right forms of behaviour.

- So as to protect the health of those maintaining the service, physical presence was avoided at as many posts as possible.

- Personnel were provided with PPE as necessary; space was reorganised so as to ensure social distancing between posts; and the start and finish times for shift workers were modified to as to reduce the number of workers present at any given time.

- When full activity was resumed after the first wave of the virus, management drew up a report titled Lessons Learned so as to be better prepared to address any future waves.

The conclusion to be drawn from the practical application of the Business Continuity Management Plan is that its past development, the training acquired in the practice drills and the dissemination of action plans ensured the rapid deployment of a Contingency Plan adaptable to the situation as it evolved. As a result, it may be said that FNMT-RCM's management of a real situation such as this one has, in general, been positive.

In addition to what has been said about the Continuity Plan, the overall positive conduct of FNMT-RCM during the pandemic was possible thanks to other circumstances: the special characteristics of some of our main customers; the characteristics of our market, which does not lend itself to flexibility; the institution's own strengths as a State provider of essential services and critical infrastructure; and, of course, the decisive contribution of the management team, the workforce and its representatives, along with the cooperation of customers and suppliers. Some of the steps taken by FNMT-RCM to respond to the crisis are listed below:

- The initial scenario of COVID-19 was addressed with a pool of 80 Surface Laptops and the exceptional use of an app virtualisation system. By year-end 2020, 170 Surface Laptops were in operation; the virtual teleworking solution was being used by approximately 150 people; and the number of email accounts accessible from outside had increased to 470. This tool played a key role in enabling a good number of employees to carry on working.

The increase in teleworking media brought a considerable rise in requests for assistance received by the User Attention Service, making it necessary to redesign basic infrastructures to support the larger broadband required by certain components. For instance, the external firewalls were renewed and the renewal of the hypervisor system and the network's electronics was put out to tender.

- As far as training was concerned, these unprecedented times have led to a change in the set-up: the end of face-to-face training and the adaptation and flexibility constantly required triggered the digital transformation of this field, consolidating a new reality in which it is essential to step up online training courses.

- The number of operative registration offices available to the general public fell drastically as a result of COVID-19 and teleworking. As a way of overcoming this problem, in July, after an agreement with the Post Office, a Representative's Certificate application procedure was implemented at some Post Office branches for the purpose of identification and the submission of documentation. .
- As a temporary, exceptional measure under the Eleventh Additional Provision of Royal Decree-Act 11/2020, March 31, on the adoption of urgent, complementary measures of a social and economic nature to cope with COVID-19, FNMT-RCM made available to the population a temporary remote identity accreditation system (digital onboarding). With this system, private individual electronic certificates may be obtained with no need for the applicant to go to the registration points, thereby helping reduce the number of people circulating while enabling them to have their paperwork processed with no detriment to their rights.
- The year 2020 saw the first issue of a "solidarity coin": a €30 silver piece dedicated to front-line personnel and groups engaged in the fight against the pandemic in Spain. Proceeds from the sale of the coin help finance the fight against COVID-19. So as to ensure as wide a distribution as possible of the coin, an agreement was reached with the Post Office, whereby it would be put on sale at certain branches.

Summing up, the full set of measures and circumstances described has succeeded in keeping the number of coronavirus cases among FNMT-RCM's personnel below the average by population, despite the need for predominantly onsite work involved in our activity. Furthermore, both production and service to the public and institutions have remained in place.

Stakeholders



FNMT-RCM applies an integrated policy in terms of all its management systems: Social Responsibility, Occupational Health and Safety, Environment, Energy Management, Quality, Business Continuity, Physical Safety and Information Security.

This policy takes account of the commitment to observe principles such as accountability, transparency, ethical conduct, respect for the interests of the parties involved, legality and human rights and the protection of people, goods and installations. It goes on to include the requirement to make efficient use of resources, respect for the environment and the promotion of cultural activities.

So as to put this policy into practice, communication and dialogue channels based on transparency, honesty, veracity and collaboration are established and encouraged, where stakeholders' requirements and expectations are identified.

Identification

In order to identify its stakeholders, FNMT-RCM has an internal procedure whereby working groups set identification criteria, assess relations with the stakeholders and decide and prioritise actions to be taken. **(G4-25)**

Stakeholder groups currently considered to be of greatest relevance are: Employees, Customers, Suppliers, Society and the



Environment, which is seen as a transversal concept in relations with all the others **(G4-24)**

The table below lists the criteria applied to the stakeholders identified:

STAKEHOLDERS	IDENTIFICATION CRITERIA
Employees	<ul style="list-style-type: none"> • Decision-taking capacity in the organisation's activity • Capacity to influence the organisation by negotiation • Protected groups • Groups with special working conditions
Customers	<ul style="list-style-type: none"> • Level of turnover • Consideration as a strategic customer • Satisfaction
Suppliers	<ul style="list-style-type: none"> • Volume of purchases • Geographical area • Supply of raw materials, machinery and standard services
Society	<ul style="list-style-type: none"> • Relationship with the institution's productive activities • Relationship with FNMT-RCM's image
Environment	<ul style="list-style-type: none"> • Seen as a transversal concept to be constantly taken into account in relations with the other stakeholders

Engagement

In order to ascertain the various stakeholders' expectations and needs and provide an adequate response, FNMT-RCM has established the following information, communication and engagement channels: **(G4-26)**

STAKEHOLDERS	CHANNELS
Employees	<ul style="list-style-type: none"> • Employee portal • Quarterly newsletter • Notice boards • Surveys • Workforce representation
Customers	<ul style="list-style-type: none"> • Opinion polls • Attendance at trade fairs and congresses • Workshops • Membership of associations and bodies • Customer services • Queries and complaints • Follow-up commissions
Suppliers	<ul style="list-style-type: none"> • Opinion polls • FNMT-RCM corporate website • Answering queries and complaints • Supplier accreditation • Meetings
Society	<ul style="list-style-type: none"> • Museo Casa de la Moneda corporate website • Collaborative agreements with educational institutions • Patronage agreements • Press releases



Commitments and issues raised with the most representative stakeholders (G4-27)

The result of stakeholder engagement via the established channels is reflected in the following key aspects:

- With **employees**
 - Ongoing communication as regards the organisation's situation.
 - Non-discrimination: equality in treatment and opportunities.
 - Work-life balance.
 - Professional development.
 - Occupational health and safety.
 - Ethical, responsible behaviour.
 - Social dialogue with workers' representatives.
 - Social action and human relationships.
 - Respect for personal data protection.
 - Contractual conditions.

On the basis of the above, the actions listed below were taken:

- Development of the Communication Plan associated to the Corporate Plan, via the FNMT-RCM newsletter.
- Continuation of actions covered in the Second Equality Plan.
- Lifelong Training Plan.
- Health and Safety System certified under ISO 45001.
- Sickness prevention campaigns.

- With **customers**

- Quality products and public services that are environmentally-friendly, innovative and technologically advanced.
- Customer loyalty.
- Clear, transparent contractual conditions.
- Speedier delivery terms and simplification of paperwork.
- Ethical, responsible behaviour.
- Treatment of information in compliance with data protection regulations.
- After-sales service.

On the basis of the above, the following initiatives were deployed:

- Continue to prioritise certifications in quality, the environment, social responsibility, business continuity and information security.
- Maintain follow-up commissions with Public Administration customers.
- Provide the public bodies responsible for the issuance of security and identification documents with appropriate technical advice.
- Develop technological vigilance procedures.

Every year, FNMT-RCM undertakes customer satisfaction surveys so as to gather information about their opinions and any faults which may have occurred at any point in the goods and services supply chain. **(PR-5)**

The table below shows customer complaints over the last three-year period. The increase in 2020 is partly due to the fact that a single product, environmental stickers for vehicles, accounted for

one third of the total. A reduction in the average resolution time, the period covering the analysis and determination of corrective actions, is also observed.

YEARS	2020	2019	2018
Number of complaints	120	91	84
Average resolution time (days)	106,23	198,81	109,46

- With **suppliers**
 - Dialogue and resolution of queries.
 - Transparency in the selection of bids.
 - Contract formalisation and fulfilment.
 - Payment terms and conditions.
 - Delivery terms.
 - Outlook for the development of the commercial relationship.
 - Compliance with data protection regulations.
 - Social responsibility principles in the supply chain.

So as to cover the aforementioned points, the following actions were submitted to consideration:

- e-billing Promotion Plan.
- Accreditation and ongoing assessment of suppliers to take part in non-advertised negotiated procedures.
- Development of an electronic billing platform.

In connection with these actions, it may be stated that FNMT-RCM's supply chain is now characterised by: **(G4-12)**

- Centralised management.

- An independent unit for the management of supplier stakeholders and associated processes.
- A supply chain where functions are separate:
 - The person who defines the need does not make the purchase.
 - The person who makes the purchase does not rate, certify or pay.
 - The person who certifies does not pay.
- Centralised stock management in the Warehouse Area.

● With **Society**

- The dissemination of culture. Museo Casa de la Moneda.
- Ease disabled people's access to activities.
- Master Course in Engraving and Graphic Design.
- Complement schoolchildren's educational programmes with the offer of cultural activities.
- Collaboration with educational centres to provide their pupils with training practicals at FNMT-RCM.

The following steps were taken with a view to developing these activities:

- The establishment of communication processes with educational centres so as to adapt the training practicals held at FNMT-RCM to the legal requirements in force for training practicals at State-owned entities.
- In addition, this year, the unforeseen situation caused by coronavirus pneumonia gave rise to the ethical commitment and the urgent need to step up or introduce a range of measures seeking to make our capabilities and our vocation as a public service available to society.

The achievement of this objective is reflected in the general public's continued access to essential services while ensuring their safety and preventing contagion. Summing up, to this end, a range of measures, mainly of a telematic nature, was brought in as we went along, seeking to enable the population to complete certain procedures with maximum security and legal validity while avoiding travel and physical contact.

Further details of these measures, some of which are here to stay, are provided in the appropriate sections.



Personnel



Governing bodies *(G4-34)*

Pursuant to FNMT-RCM's bylaws, the main governing bodies are the Board of Directors and its Delegate Commissions and the Chief Executive Officer. Appointed upon the proposal of the Minister of Finance, the Chief Executive Officer is responsible for the representation, management, administration and general running of the institution, along with other duties, tasks and powers as provided for in the bylaws. The Chief Executive Officer is also the Chairperson of the Board of Directors.

The Board of Directors is made up nine to 14 members and the Secretary, who has a say in the meetings but no vote. Board meetings are also attended by a workforce representative. Furthermore, upon the proposal of the Chairperson, the board may designate a maximum of six advisers, who may have a say at meetings but no vote.

Members are designated by Order from the Ministry of Finance and at the very least, must belong to the grade of Deputy Director General or equivalent within the personnel of the General State Administration. Four of the members will be designated upon the proposal of the Ministry of Economy and Business. Moreover, the main institutional customers of FNMT-RCM are represented as members of the board.



At year-end 2020, the Board of Directors (Chairperson, members and secretary) was made up of nine men and seven women.

The duties of the Board of Directors are laid down in the bylaws of FNMT-RCM and include, amongst others, agreement to the Pluriannual Performance Plan and the operating and capital budgets, along with approval of the Annual Programmes referred to in Art. 75a), Act 50/1998, December 30, upon the proposal of the Chief Executive Officer. Furthermore, as applicable, it is incumbent



on the Board to approve the proposed Agreement or Contract-Agreement with the State for its referral to the Minister of Finance and subsequent inclusion in the pertinent budget acts.



Board of Directors

(at December 31 2020)

Chairperson:

- **Ms. Lidia Sánchez Milán**
Chief Executive Officer of FNMT-RCM

Members:

- **Mr. Manuel Tuero Secades**
*Director, Official State Gazette Agency
Ministry of the Presidency, Relations with the Parliament and Democratic Memory*
- **Ms. Alejandra Sánchez Yáñez**
*Advisory Member, Office of the Secretary of State for Budgets and Spending
Ministry of Finance*
- **Mr. Alejandro de las Alas-Pumariño y Linde**
*Chief Officer
Ministry of Transport, Mobility and Urban Affairs*
- **Mr. Ángel Manuel Marqués Almanza**
*Deputy Director General of Organisation, Planning and Resource
Management at the State's General Audit Office
Ministry of Finance*
- **Mr. José Luis López González**
*Head of the Budget Office
Ministry of Economic Affairs and Digital Transformation*
- **Ms. Silvia García Malsipica**
*Deputy Director General of Coordination, Auditing and Knowledge Management
Ministry of Justice*
- **Mr. Pedro Alonso Manjón**
*Deputy Director General of Telecommunications Operators and Digital
Infrastructures
Ministry of Economic Affairs and Digital Transformation*
- **Mr. Javier Lamana Palacios**
*State Counsel-in-Chief
Secretariat of State of Economy and Corporate Backing
Ministry of Economic Affairs and Digital Transformation*
- **Ms. Rocío Chico Hualde**
*Deputy Director General of State Treasury Management
Ministry of Economic Affairs and Digital Transformation*

- **Mr. José García Molina**

*Deputy Director General of Logistics and Innovation
Directorate General of the Police
Ministry of the Interior*

- **Ms. Ana María Prejigueiro Rodríguez**

*Director, Office of the Secretary of State for Security
Ministry of the Interior*

- **Ms. Esther Barrios Burgos**

*Advisory Member, Technical Office of the Undersecretary of State for Finance
Ministry of Finance*

- **Mr. Sergio Bueno Illescas**

*Director, Office of the Secretary of State for Relations with the Parliament and
Constitutional Affairs
Ministry of the Presidency, Relations with the Parliament and Democratic Memory*

- **Mr. José Vicente Petruzzella Lacave**

*Deputy Director General of Operation, Department of IT for Tax Applications, State
Tax Agency (AEAT)
Ministry of Finance*

Secretary:

- **Ms. María Bueyo Díez Jalón**

*State Counsel-in-Chief
Ministry of Finance*



Over the last three years, the total amounts in remuneration received by members of the Board of Directors and management personnel were as follows:

TOTAL REMUNERATION RECEIVED (EUROS)	2020	2019	2018
Board of Directors	161.000	162.000	158.000
CEO and senior management	563.000	668.000	659.000
Other managerial staff	2.495.000	2.429.000	2.421.000

Remuneration received by senior-management personnel and managerial staff includes the variable component of the salary which is paid in accordance with the attainment of targets, meaning that there is a link between the variable component and the organisation's performance and results.

Board of Director members and advisors are subject to the rules on conflict of interests pursuant to Act 3/2015, March 30, whereby the exercise of senior-management posts in the General State Administration is regulated; and their actions comply with the ethical principles and of conduct provided for in said act.

The managerial structure of FNMT-RCM is formed by the Chairperson-CEO and by five departments: Information Systems and Economic-Financial; Industrial; Commercial; Human Resources; and the Secretariat General. In addition, backup is provided by the following committees and commissions:

- Procurement Committee.
- Project Committee.
- Communication Committee.

- International Project Follow-up Committee.
- Investment Control and Analysis Commission.
- Sustainability Committee.
- New Technologies Committee.
- Information Security Committee.

Employees (G4-10) (G4-11)

Each and every action on the part of FNMT-RCM in respect of its main asset, people, is geared towards stable employment, while creating a good working climate and a sense of commitment. To this end, a number of policies are in place to foster the necessary conditions of respect and security so as to further the employees' personal and professional development. Steps in this regard have been taken in the following areas:

- Non-discrimination and equality.
- The right to privacy and respect for dignity.
- Work-life balance.
- Occupational health and safety: FNMT-RCM is holder of the relevant certificate under ISO Standard 45001.
- Fringe benefits to supplement employees' salaries.
- Internal communication fostered by the intranet as a source of cohesion and information and a tool for the processing of administrative affairs.
- Training.

Labour relations between the company and its workforce are regulated by the 11th Collective Bargaining Agreement and renewals, applicable to the entire workforce.

This agreement states that the organisation of work, along with the determination of work centres, groups, sectors, areas and services

deemed fitting, lies within the power and responsibility of FNMT-RCM's management. Nevertheless, the workers' legal representatives are entitled to be previously informed. In this regard, trial periods for new rules concerning organisation and production are limited to a maximum of 10 weeks. Once the trial period has elapsed, the mandatory period of consultations commences, with a minimum duration of 15 days unless an agreement is reached beforehand. **(LA-4) ***

Key workforce figures (LA-1)

The table below reflects the evolution of the workforce at December 31, broken down by gender and grade. The information provided covers the last three years.

CENTRES AND GRADES	2020			2019			2018		
	H	M	TOTAL	H	M	TOTAL	H	M	TOTAL
Madrid Centre	867	248	1.124	893	258	1.151	894	256	1.150
Burgos Centre	125	34	159	131	37	168	116	34	150
Total, centres	1.001	282	1.283	1.024	295	1.319	1.010	290	1.300
Management team	33	6	39	31	5	36	32	6	38
Section chiefs	75	17	97	77	16	93	72	16	88
Middle management	58	4	62	60	5	65	55	3	58
Technical staff	218	92	310	227	92	319	208	83	291
Clerical staff	74	53	127	76	64	140	86	76	162
Operatives	500	108	608	517	106	623	518	99	617
Auxiliary staff	43	2	45	36	7	43	39	7	46
Total, grades	1.001	282	1.283	1.024	295	1.319	1.010	290	1.300

* Global Reporting Initiative Indicators (information on Page 128 et seq)

It is seen that, in 2020, the total number of employees decreased by 36, or 2.7%, in respect of the workforce in 2019.

At year-end 2020, temporary contracts in force accounted for 13.64% of the total workforce, as against 14.03% in 2019 and 10.76% in 2018.

Labour grievances filed in 2020 totalled nine, as compared with 11 in 2019 and 12 in 2018. **(LA-16)**

Equality

FNMT-RCM has agreed an Equal Opportunities Plan with workers' representatives. Now in its second edition, the plan provides the framework within which to develop actions conducive to the attainment of full work-life balance. For instance, there is absolute parity in the salaries of men and women belonging to the same professional grade, as set down in the current Collective Bargaining Agreement. **(LA-13)**

At this point, it is worth pointing out measures designed to support less advantaged groups, as a result of which, at year-end, the number of employees with a level of disability equal to, or higher than 33% stood at 2.53% of the total workforce, thus exceeding the minimum of 2% required by regulations in force. **(LA-12)**

The table below shows the most relevant situations of work-life balance recognised in 2020. It is important to stress that the percentage of the workforce enjoying a work-life balance measure in the course of the year, including flexitime, which is not reflected in the table, reached 48%.

SITUATION RECOGNISED	MEN	WOMEN	TOTAL
Maternity leave	0	2	2
Paternity leave	26	0	26
Breast-feeding leave	17	4	21
Reduced working day to care for children below 14 years of age	0	11	11
Flexitime to care for children below 14 years of age	11	15	26
Teleworking for work-life balance	25	17	42
Unpaid leave to care for relatives	4	2	6
Paid leave due to closure of educational centres and elderly care homes (March 11, 12 y 13)	98	29	127
Fixed shift due to official studies	8	2	10
Special working day start and finish times due to transport problems	2	0	2
Total	191	82	273



Training (LA-9) (LA-10)

Generally speaking, the training strategy pursued was continued and furthered along the lines put in place in previous years, namely:

- Internal training, conducted by the employees themselves, providing specific training essential for internal promotion.
- In-company training, in which content is adapted to the specific reality of FNMT-RCM.
- Courses on a range of subjects peculiar to FNMT-RCM.

The following table gives details of key training figures over the last three years:

ITEM	2020	2019	2018
Investment (euros)	412.045	703.878	695.633
Attendees	3.384	4.659	4.360
Training hours	31.916	45.642	45.917
Training hours per person	24,51	34,86	35,27
% fulfilment of the Training Plan	46,30	59,23	55,63
% unplanned training	11,66	13,71	24,45

It should be noted that the figure of 46.30% referring to fulfilment of the Training Plan fell below the targeted 60% as a direct consequence of COVID-19; and that the percentage of unplanned courses (11.66%) shows an improvement on previous years, reflecting better planning of the training process.

In 2020, attendance at courses increased to 89.50% of personnel invited to take part, it being of particular interest to mention the figure of 92.06% participation in occupational health and safety courses, above the targeted 85%.

Priority was given to planned training courses, especially on subjects required by law, such as occupational health and safety, physical safety and information security. In the period of reference, the main activities were as follows:

- Transversal training for professional and personal development, attended by 376 people over a number of courses.
- Foreign language training remained in place, attended by 122 people, most of whom (117) took English courses.

- A total of 34 people took part in the four courses provided for under the Internal Training Agreement, despite the fact that this type of training was the most seriously affected by health constraints.

Delivered with the help of instructors from the workforce, whose knowledge and experience guarantee both the quality and applicability of the course content, this type of training is considered indispensable for learning in specific areas of FNMT-RCM.

One of the most positive aspects of the period of reference was the growth of online or virtual methodologies, which has accelerated the digitisation of learning and knowledge and general adaptation to these environments. At the same time, it has opened up the possibility of greater development over the short term.

The fact is that, as far as lifelong learning and knowledge management are concerned, the need to respond to a health crisis unprecedented in our generation has entailed replacing the traditional set-up with a system featuring permanent flexibility and adaptability to the evolution of the situation and the ability to provide most of the training online. This format is expected to remain in place in the future.

Moreover, the renewed training model is, in itself, a factor which both underpins and speeds up the attainment of two overriding objectives: the institution's overall digital growth in an ever-changing technological scenario; and the professionalization of our human capital and its achievement of excellence.



Occupational health and safety

At FNMT-RCM, one of the fundamental goals is the correct management of the employees' health and safety.

To achieve this end, the institution has been applying a set of measures to reduce the accident rate, prevent occupational diseases and foster general health. An Occupational Health and Safety Management System is in place, adapted in 2020 from the previous OHSAS 18001 standard to the new ISO 45001. Furthermore, FNMT-RCM has its own Prevention Service covering all specialities: health and safety; industrial hygiene; ergonomics; psycho-sociology; and health care. It should be pointed out, however, that at the Burgos premises, health care has been outsourced to a health and safety service.

Moreover, the institution has set up a Health and Safety Committee at both its main work centres in Madrid and Burgos. Formed in equal measure by workforce and company representatives, in 2020, the committees held the following meetings: one inter-centre meeting, attended by both committees; and eight health and safety meetings (four in Madrid and four in Burgos).

Aside from COVID-19, in 2020, work continued on the management of labour risks; health and safety training; and campaigns fostering the prevention of diseases and the promotion of health. **(LA-5) (LA-8)**

Accordingly, among the steps taken to prevent serious diseases, the year saw the continued application of the programme for the early detection of cancer of the colon and rectum, from which 84 people benefited. A total of 78 people had ophthalmological tests and, within the standard annual campaigns, the following vaccines were administered.

- Influenza: 354 vaccinations

- Herpes Zoster: 16 vaccinations
- Tetanus: 20 vaccinations

Other preventive initiatives seen in 2020 include campaigns on healthy eating habits; the avoidance of dehydration and heat stroke in summer; and the promotion and encouragement of sporting values and healthy habits everywhere, despite lockdown. As part of this initiative, FNMT-RCM took part in the Inter-company eHealth Challenge Olympics, consisting of racking up kilometres by walking, running, swimming or cycling.

FNMT-RCM also took part in the Sixth Encounter of Companies with a Responsible Approach towards HIV and AIDS in Spain, obtaining the recognition awarded by the federation, Federación Trabajando en Positivo, to companies which have pursued sound practices aimed at fostering the prevention of HIV and AIDS and putting an end to the discrimination of victims. Lastly, on the occasion of World AIDS Day, a number of actions in the areas of information, awareness and education were carried out, geared towards workers, their families and social agents as a whole.

However, when speaking of the year 2020, it is essential to add the unexpected need to allocate sizeable efforts and resources to the coronavirus pneumonia pandemic so as to adapt the working environment and thus minimise the risk of contagion whilst protecting the workforce's health.

The Health and Safety Service took the following measures, amongst others, to fight the virus: the preparation of a Good Practice Protocol to address the new coronavirus ahead of a second wave in May; a Medical Protocol to pinpoint particularly sensitive personnel; other Medical Protocols for confirmed cases and contacts; control of subcontractors by the COORDYNA application; COVID-19 safety inspections; an informative campaign directed at the workforce; the preparation of a cleaning and disinfecting procedure applicable to equipment; and the assessment and selection of the protection equipment necessary.

Absenteeism and the accident rate (LA-6)

The evolution of absenteeism and occupational accidents is reflected in the table below. Of particular note in 2020 are the reduction in the number of accidents and the increase of absenteeism, possibly as a result of the health crisis and its attendant circumstances, such as teleworking and work-life balance measures.

ITEM		2020	2019	2018
Percentage total absenteeism (*)		10,88 %	10,25 %	8,65 %
Percentage absenteeism (**)		8,55 %	6,88 %	5,00 %
(*) Includes all items relating to job attendance, including stoppages. (**) Does not include legal leave or stoppages.				
Factory-floor accidents leading to lost days	Men	14	22	58
Madrid premises	Women	7	5	6
Factory-floor accidents leading to lost days	Men	3	6	5
Burgos premises	Women	0	2	2
Days lost due to occupational accidents		2.120	734	2.238
Frequency rate		12,72	18,82	37,61
Gravity rate		1,23	0,47	1,32
Hazard rate		89,54	101,64	132,94
Incidence rate		129,1	144,77	192,17
Occupational diseases		6	2	2

The environment

When carrying out its activities, FNMT-RCM is mindful of the fact that the protection of the environment is not just a legal issue but also a social duty falling to the company as a whole.

Accordingly, FNMT-RCM has implemented an Environmental Management System for the design and production of banknotes, coins and security documents at the Madrid work centre and for the production of security paper at the Burgos centre. The system is certified under ISO Standard 14001.

There is also an Energy and Water Saving and Efficiency Plan covering all those proposals from audits and internal and external diagnoses which have been deemed applicable. These measures concern the management of energy and its sources, all cladding on the outside of the buildings, along with lighting, installations, equipment, processes and water consumption. **(EN-6) ***

Some of the environmental sustainability measures incorporated into the tasks peculiar to FNMT-RCM are listed below:

- Improvements in waste management and disposal, especially hazardous waste, and steps to generate less.

In the case of ink waste, for instance, in 2020, 80 1,000 litre containers (GRG) were withdrawn, as against 100 withdrawn in 2019.

* Global Reporting Initiative Indicators (information on Page 128 et seq.).

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- Elimination of single-use plastic containers.

In this regard, the plastic cups used in coffee and water machines have been replaced by compostable cups while, in the cafeteria, plastic water bottles have been replaced by glass ones. Moreover, employees have been provided with refillable ceramic mugs and metal bottles.

- Activities in the areas of information, training and awareness in connection with the environment and waste.

Presentations, the preparation of leaflets, information on the corporate intranet and so on, in addition to the provision of specific training to new employees (38 people) and those involved in waste management (126 people).

FNMT-RCM's Environmental Management Policy is available to all stakeholders on the corporate intranet and website. As the result of this policy, no penalties have been imposed for failure to comply with environmental regulations. **(EN-29)**

The set of tables below contains key data concerning raw material and energy consumption, emissions and other environmental management parameters.

Materials

MATERIALS BY WEIGHT OR VOLUME (EN-1)			
MOST RELEVANT MATERIALS BY WEIGHT (TONNES) (EN-1)	2020	2019	2018
Top-quality bleached cotton linter	197.93	183.40	77.80
Resin, type epichlorhydrin epoxy	220.00	290.62	124.55
Titanium dioxide anatase (slurry)	136.00	172.62	51.83
Euro coin blanks	3,786.77	4,761.59	4,909.80
Polyvinyl alcohol	54.00	68.71	50.78
Paper	2,638.15	4,451.37	3,375.86
Inks	34.40	31.58	53.70
Combing machine	1,246.57	1,999.60	1,187.73

Energy

DIRECT ENERGY CONSUMPTION (EN-3)			
GAS CONSUMPTION (KWH)	2020	2019	2018
Madrid-Jorge Juan Centre	7,850.745	8,154.550	9,185.810
Madrid-Warehouse Centre	406.335	535.288	920.447
Burgos Centre	8,549.462	11,599.957	13,516.504
Total	16,806.542	20,289.795	23,622.761
ELECTRICITY CONSUMPTION (KWH)	2020	2019	2018
Madrid-Jorge Juan Centre	18,217.376	19,280.534	19,992.154
Madrid-Warehouse Centre	696.550	705.305	945.295
Burgos Centre	13,480.424	12,826.744	9,531.185
Total	32,394.350	32,812.583	30,468.634

ENERGY SAVED DUE TO CONSERVATION AND EFFICIENCY IMPROVEMENTS (EN-5)			
GAS	2020	2019	2018
kWh/euro invoiced	0,068	0,077	0,092
ELECTRICITY	2020	2019	2018
kWh/euro invoiced	0,131	0,125	0,118

Water

TOTAL WITHDRAWAL OF WATER BY SOURCE (M³) (EN-8) (EN-9)				
TOTAL WATER SUPPLY CONTRACT BY SOURCE		2020	2019	2018
Madrid-Jorge Juan Centre		15.989	16.877	19.268
Drinking water network				
Madrid-Warehouse Centre		568	648	1.123
Drinking water network				
Burgos Centre	River Arlanzón	685.002	764.749	567.220
	Drinking water network	15.929	13.407	14.923
Total		717.488	795.681	602.534

Emissions

DIRECT EMISSIONS OF GREENHOUSE GASES (TONNES) (EN-15)				
CO ₂ FROM CONSUMPTION OF NATURAL GAS		2020	2019	2018
	Madrid Centre	1.646	1.755	2.041
	Burgos Centre	2.432	2.343	2.370
CO ₂ FROM CONSUMPTION OF ELECTRICITY		2020	2019	2018
	Madrid Centre	5.485	5.796	6.071
	Burgos Centre	4.044	2.565	2.765

GREENHOUSE GAS EMISSION INTENSITY (EN-18)				
GAS		2020	2019	2018
	kg/euro invoiced	0,016	0,016	0,017
ELECTRICITY		2020	2019	2018
	kg/euro invoiced	0,038	0,032	0,034

Effluents and waste

TOTAL WEIGHT (KG) OF WASTE TREATED OR RECYCLED (EN-23)			
HAZARDOUS WASTE	2020	2019	2018
Sludge, galvanoplasty waste treatment plant	9.160	6.220	0
Oils and emulsions	8.530	4.780	6.110
Solvent dregs	340	660	285
Ink waste	78.450	101.960	80.920
Contaminated cloths and absorbents	16.370	20.660	24.195
Coolants	1.100	380	400
Water with hydrocarbons	7.660	10.540	15.540
Developer-fixer	2.240	3.120	2.360
Expired paints	286	420	180
Expired products	200	190	13.700
Waxes and greases	0	60	10
Adhesives and sealants	320	640	280
Contaminated metal containers	8.540	11.836	16.510
Contaminated plastic containers	4.380	3.200	2.390
Contaminated glass containers	0	60	80
Aerosols	0	40	60
Flexographic polymer	520	1.480	770
Fluorescent tubes	263	6.503	1.017
Acid-lead batteries	720	3.130	5.080
Toner	1.183	1.398	1.521
Electrical-electronic waste	2.340	4.208	5.680

TOTAL WEIGHT (KG) OF WASTE TREATED OR RECYCLED (EN-23)				
HAZARDOUS WASTE		2020	2019	2018
	Strippers	1.160	460	0
	Sanitary containers	1.944	1.944	1.944
	Biosanitary waste	178	210	166
	Activator solutions	0	5.520	0
NON-HAZARDOUS WASTE		2020	2019	2018
	Solid urban waste	67.348	68.532	96.748
	Building and demolition waste	645.480	344.690	119.169
	Demonetisation scrap	7.324	16.133	24.312
	Other scrap metal	294.146	130.202	156.065
	Paper waste	520.572	628.040	481.170
	Plastics	72.265	94.803	78.367
	Wood	75.823	48.931	73.124

Transport

TRANSPORT OF MATERIALS AND PRODUCTS (EN-30)		2020	2019	2018
	Cost of subcontracted service	1.911.425	2.480.380	1.702.134
	Number of proprietary vehicles	9	10	8
	Fuel consumption (litres)	2.462	3.377	4.360

Expenditures and investments

ENVIRONMENTAL EXPENDITURES AND INVESTMENTS (EN-31)			
DISPOSAL OF WASTE	2020	2019	2018
Cost of waste treatment and disposal	35.058	30.587	25.159
ENVIRONMENTAL PREVENTION AND MANAGEMENT	2020	2019	2018
Outsourced services	40.610	92.090	104.379
Certification of the management system	6.712	5.775	5.775

Breakdown of expenditures on outsourced environmental and prevention services

EXPENDITURES ON OUTSOURCED PREVENTION AND ENVIRONMENTAL SERVICES. 2020	
Legionnaire's disease preventive disinfection service	21.362,76
Interior environmental quality and legionella control	63.500,00
Internal audit of the Environmental Management System	1.539,00
Annual inspection of effluents by OCA ICP (authorised control body)	1.084,00
Internal control of atmospheric emissions	4.074,00
Ecoembes fee	263



Production

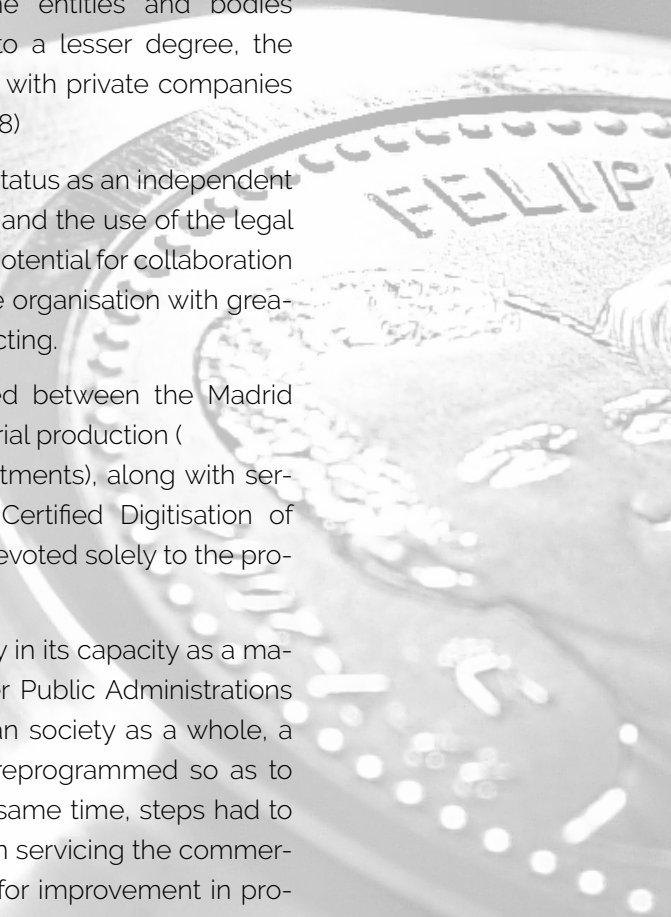


The main customers habitually served by FNMT-RCM are the Spanish Public Administrations and the entities and bodies attached or accountable thereto; and, to a lesser degree, the Administrations of other countries, along with private companies engaged in the collector coin sector. (G4-8)

Within the national scope, FNMT-RCM's status as an independent body of the General State Administration and the use of the legal concept of the commission increase the potential for collaboration with third institutions whilst endowing the organisation with greater agility and flexibility in terms of contracting.

FNMT-RCM's industrial activity is divided between the Madrid premises, which house the bulk of industrial production (the Coin, Stamping, Printing/Card Departments), along with services (CERES, R&D&I, Laboratory and Certified Digitisation of Documents); and the Burgos premises, devoted solely to the production of security paper.

Despite the fact that FNMT-RCM's activity in its capacity as a manufacturer of essential products for other Public Administrations felt the impact of the pandemic less than society as a whole, a good number of operations had to be reprogrammed so as to adapt them to customers' needs. At the same time, steps had to be taken to enable the institution to go on servicing the commercial portfolio and discover opportunities for improvement in products and markets.





Below is a brief description of the situation of the main goods production departments during the epidemic:

- The Paper Mill had set 2020 as the deadline for the completion of training in the use of the new paper machine and for the stabilisation of processes and output with real production. However, because of the pandemic, the term for the attainment of these goals had to be put back to 2021.
- The Coin Department was affected by the decreasing need for coins on account of the diminishing use of cash.
- Given the need to continue supplying products that are indispensable for the Public Administration, the Stamping and Printing/Card Departments had to maintain onsite activity even during the tightest stage of lockdown. As a result, with the adoption of exceptional measures, a production level almost equivalent to that of a normal year was achieved, save for slight reductions in the production of certain articles.
- Likewise, the group of departments (Planning and Stores, Pre-printing, R&D&I, Laboratory and Maintenance) which act as backup for the aforementioned specifically business departments had to maintain output and operative staff at levels equivalent to normal ones, even at the start of lockdown and during its more complex stages.



Circulating and collector coins

Production

- In 2020, total production of **circulating euro coins** amounted to 915.1 million units, reflecting a 20% decline in respect of production one year previous.
- As far as **foreign circulating coins were concerned**, production totalled 23.5 million for the Ministry of Finance and Public Affairs of Andorra and the Central Bank of the Dominican Republic.
- Among the **collector coins** put on sale in 2020, it is worth mentioning first and foremost 376,600 units in 925 thousandths sterling silver, with a face value of €30. The coin was issued "In recognition of all front-line professional people and groups engaged in the fight against COVID-19 in our country". The coins show a map of Spain, surrounded by 10 pictograms paying tribute to people playing an essential role in the fight, the heroes of the pandemic. Proceeds from the sale of this coin are used in the battle to overcome COVID-19.



In addition to the above, series of proof-quality collector coins were produced. These pieces, together with those whose production commenced in previous years and a range of medals, add up to a total production of 166,902 units. The following issues are particularly noteworthy:

- An eight-real coin in the second series to mark the Fifth Centenary of the First Round-the-World Voyage. It is the second issue of four of the same metric scheduled to be launched between 2019 and 2022 to commemorate the event.
- Euroset of the year's coins, in circulating and proof quality.
- The two-euro wallet, in proof quality, dedicated to Mudéjar art in Aragon.
- Collection dedicated to the UEFA 2020 Cup, consisting of one two-escudo gold coin and one eight-real silver coin.
- XVII Europa Series-El Gótico, made up of two pieces: one four-escudo gold coin and one eight-real silver coin.
- 20 cupronickel coins in the series dedicated to the History of Aviation.
- XII Ibero-American Collection, consisting of seven four-real coins dedicated to Historical Railways, to which Spain has contributed one coin.
- An eight-real silver coin dedicated to the Centenary of the Spanish Legion.

The table below shows the Coin Department's production over the last three years:

PRODUCT	2018	2019	2020
Euros	1.096.996	1.143.935	915.138
International circulating coins	54.666	0	23.501
€30 silver coins	1.043.800	463.900	376.600
Collector coins	214	211	167

(Thousand units)

New projects and investments

The need to adapt to the new technologies and customers' requirements led to the development of the following new projects and investments:

1. Improvements in the manufacture of dies, a key component in coin production:

- Automatic polishing of the dies, using drag finishing technology. Polishing is carried out within an abrasive medium, producing dies of improved quality and performance while shortening the polishing process.
- Model digitisation by means of structured light: a far quicker process than the one provided by the current contact digitiser.
- Electro-chemical precision machining and laser machining.

These innovations constitute a complete change to the die production process from the traditional way based on the die-sinking of intermediate tools (stamps and matrices). Their implementation will bring the following advantages:

- Go directly from the artistic execution of the die to its production, shortening the process and eliminating die-sinking for the transfer of motifs, considered to be the main reason why the dies break at an early stage.
- Facilitate the preparation of tests prior to approval of the final model by the customer.

2. The provision of automatically-guided vehicles (AGV) at warehouses and identification of products with RFID labels.

These improvements will enable items to enter and leave the warehouse with a minimum of human involvement.

3. Renewal of minting presses

Now completed, this process seeks to modernise the circulating coin production workshop. As a result, the range of options in the bimetallic coin stamping process has been broadened; the maximum coin size has been increased to a diameter of up to 40 mm; and conditions in the minting workshop have been upgraded with the installation of up-to-the-minute sound-proof cabins preventing acoustic intensity from exceeding 75 decibels.

Security paper

The year 2020 saw continued training and improvement as regards the new installations at the Burgos Paper Mill, with highly diverse productions technically speaking, despite the fact that the pandemic unexpectedly limited activity and led to a decline in paper production as compared with 2019, when 1,846 tonnes were produced.

Distribution in terms of customers of the 1,519 tonnes of security paper produced in 2020 breaks down as follows:

CUSTOMER	TONNES OF PAPER	% OF TOTAL PRODUCTION
IMBISA	757	49,84
Bank of Colombia	64	4,21
Bank of Argentina	196	12,90
Bank of the Philippines	438	28,84
Samples and maculatures	6	0,39
FNMT-RCM	58	3,82
Total	1519	100,00

The table below shows the performance of security paper production over the last three years, broken down by items:

ITEM (TONNES)	2018	2019	2020
National banknotes	122	623	757
Foreign banknotes	281	829	704
National converted paper	128	310	268
Converted paper for export	12	-	-
Other	69	84	58
Total	612	1.846	1.787



Cards and printing

The following table takes account of the production of the Printing/ Card Department over the last three years:

CARDS	2018	2019	2020
Electronic DNI	7.675	7.023	7.520
Driving licence	3.493	3.412	3.764
Residence permit	567	618	770
Smart card	559	409	200
Magnetic band card	1.120	1.090	875
Total	13.414	12.552	13.129

(Thousand units)

PRINTING	2018	2019	2020
Passports	2.735	2.502	2.300
Betting slips	520.416	577.071	402.843
Total	523.151	579.573	405.143

(Thousand units)

Below is a brief description of the status of some of the products made at the Printing/Card Department:

Identification documents

Work continued on the upgrading and technological adaptation of the production of DNIs, the electronic residence permit, the driving licence, the firearms permit and the digital tachograph. At the same time, a second card production line was started up and the internal transfer of materials between the various production stages was robotised.

Digital tachograph

Within the Special Projects Area, collaboration remained in place with the Ministry of Transport, Mobility and Urban Affairs as regards the maintenance and development of the digital tachograph management and control infrastructure for both the issuance of smart cards and on-the-road inspection applications.

Health cards

Commissions continue for the production of European Health Cards (EHC) for Instituto Social de las Fuerzas Armadas (ISFAS), Mutualidad General Judicial (MUGEJU) and Mutualidad General de Funcionarios Civiles del Estado (MUFACE); and also for the issuance of membership cards for ISFAS and MUGEJU.

Bank cards

The production and personalisation of smart university cards for Banco Santander was maintained and a new data management application for these cards is at the development stage.

Adaptation of bank card personalisation infrastructure to the requirements for MasterCard hardware and software certifications remained in place.

Transport cards

Authorisation for the production of tourist transport cards for Consorcio Regional de Transportes Públicos de Madrid remains in place for the period from 2019 to 2021.

Other activities

The month of June 2020 brought the issuance of the new European electronic residence permit, which follows the design proposed by Spain. The permit unifies the residence permits of EU students and relatives of EU citizens and may also be used by British citizens affected by Brexit.

There was further work on the development and updating of mobile device apps interacting with DNle 3.0 (fitted with NFC and a contact interface) with a view to easing citizens' access to public services (Social Security, the Tax Office, the Land Registry, Traffic etc.) and to providing assistance in their day-to-day affairs (banks, hotels, schools, travel agencies etc.).

Development of the operating system for the electronic DNI (DNle 4.0) was completed. The system is currently at the security certification stage.



Graphic products

These tasks, which constitute the bulk of FNMT-RCM's production, differ greatly from one to another, in terms of technical complexity on the one hand and the volume produced on the other. In cases entailing both complexity and volume, specific equipment is required for production. Such cases include the National Lottery, other State lottery tickets and betting slips, bingo cards, alcohol and tobacco seals and postage stamps.

The year 2020 witnessed a decline in demand for several of these products, caused or influenced by lockdown and the pandemic. As compared with the previous year, particularly noteworthy are the decreases of 45.51% in the production of European visas; of 24.83% in bingo cards; of 23.75% in lotteries; and of 7.01% in Ministry of Justice documents. There was also a downward trend (43.68%)

in the production of postage stamps. It is also important to point out the growing introduction of innovations in design and in materials, including the incorporation of new technologies endowing the items with greater value-added and broadening the scope of the target public.

Conversely, requests for the new models triggered a rise in the production of stamped bills, mainly alcohol seals (25.31%), and in the manufacture of tobacco seals (6.31%).

The table below provides information on the manufacture of graphic products in the three-year period indicated:

PRODUCT	2018	2019	2020
Postage stamps	132.185	86.441	48.685
Stamped bills (1)	832.307	645.037	808.332
Tobacco seals	2.435.612	2.555.536	2.716.997
National Lottery	57.942	62.964	48.009
Bingo cards	361.479	243.742	183.230
European Union visas	1.172	2.092	1.140
Ministry of Justice documents	13.126	21.308	19.814
Various (2)	235.169	163.707	183.480
Total	4.068.992	3.780.827	4.010.687

(Thousand units)

(1) Includes alcohol seals.

(2) Includes certificates of origin and other.

In addition to the graphic products referred to above, various products were supplied by the Pre-printing Department:

- National supplies (to IMBISA, banknote printer for the Bank of Spain):
 - 229 offset plates
 - 75 waterless plates
 - 96 serigraph screens
 - 18 intaglio plates
 - 9 intaglio cutouts.
- International supplies:
 - 30 waterless plates for the Portuguese Mint
 - 6 intaglio plates for Series Two euro banknotes for the company VALORA, S. A., owned by the Bank of Portugal.

In the area of investment, the following machinery was acquired:

- Intaglio rotary press
- Cutting-folding machine
- Tobacco seal finishing line
- Label finishing line
- Serigraph rotary press for the National Lottery.

Services

Tobacco Product Traceability System codes

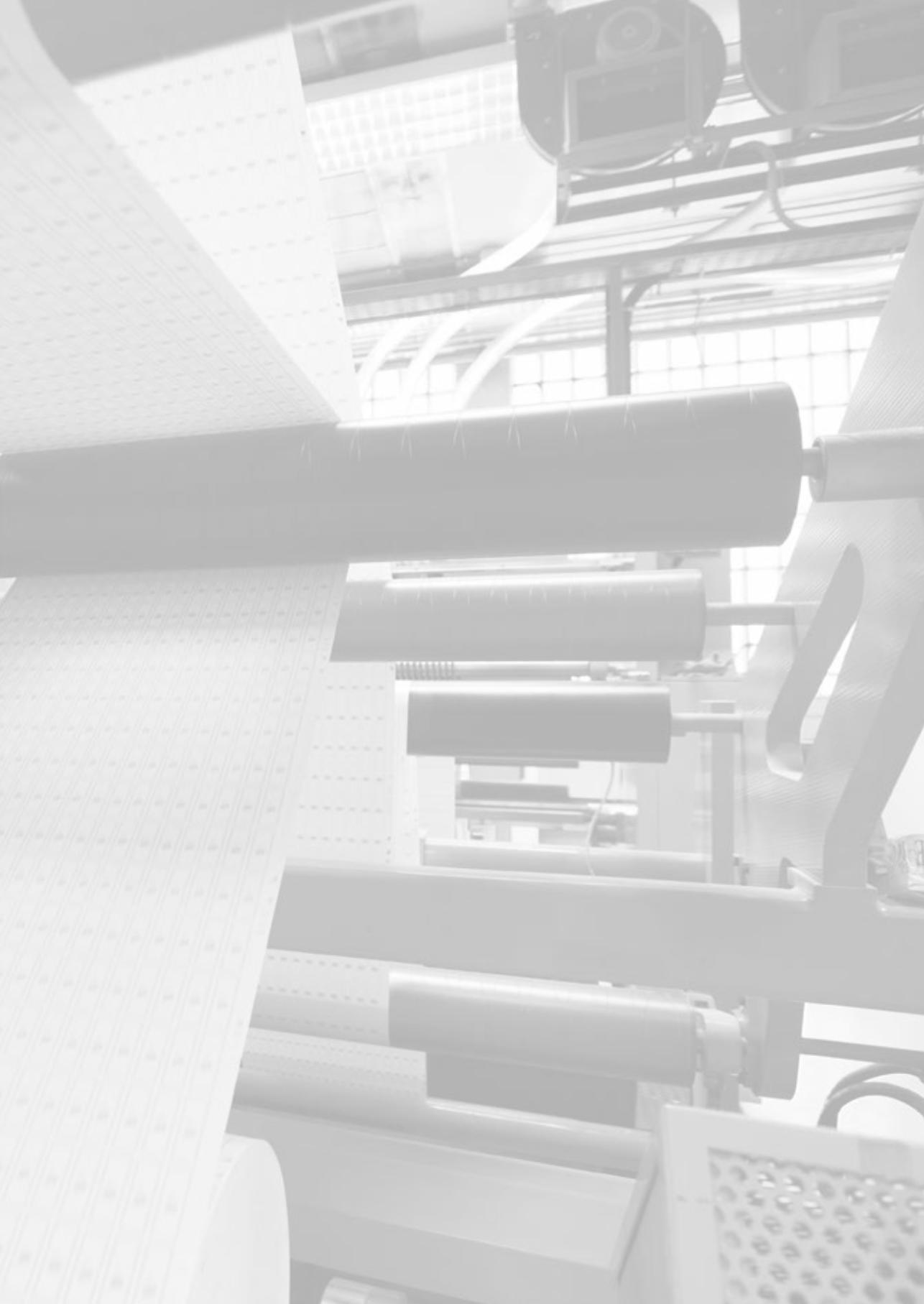
With the publication of Order HAC/1365/2018, December 12, whereby the traceability and security of tobacco products was regulated and FNMT-RCM was designated as issuer of identifiers for these substances throughout the national territory, since May 2019, the institution has been producing the unique alphanumerical codes which identify tobacco product packaging and ensure their traceability.

In 2020, as tasked by the Tobacco Market Commission, 2,506,930,108 codes were generated for tobacco trade operators.

CERES (Spanish Certification)

In 2020, as part of FNMT-RCM's innovation drive, this department undertook a range of projects, the most relevant of which are outlined below:

- Updating and improving security by actions on the alert and control systems or firewalls; increasing broadband in communications between the mainframe and backup; activation



of virtual patches to forestall threats; upgrading Windows domain security of the electronic Administration to the "high" level; and start-up of tools to monitor, discover and manage online activity.

- Concerning the start-up of new Certification Authorities (CA), in 2020, the Public Sector CA Generation Project was developed for the issuance of Public Servant certificates and electronic stamps. This replaces the CA Public Administration, whose keys had come to the end of their life cycle. Production started on the new centralised signature service associated to the CA Public Sector, thereby improving the security of the previous system. At the same time, the Justice Administration is provided with a new Pseudonym Certificate System. Lastly, a new specific CA was created for electronic time stamping: "FNMT-RCM Time Stamping Authority – TSU 2020", which, in 2021, will replace the current stamping service, due to expire soon.
- Progress was made on the project to renew, update and improve the public key infrastructure (PKI) for the Public Administration. The aim is twofold: to keep the current service after 2022, when the present CA certificates are due to expire; and to provide the new products and functionalities required by the bodies using this certification.
- Renewal of the online payment gateway as required by the coming-into-force of the Second European Directive on digital payment services (known as Directive PSD2), whereby December 31 2020 was set as the deadline.
- Participation in the European project SOTER (cyberSecurity Optimization and Training for Enhanced Resilience in finance). Started in 2020, this project seeks to facilitate and protect the commercial relationship between banking institutions and customers by means of totally digital identification technologies. In addition to assuming an expert role in

security, FNMT-RCM collaborates in the issuance of certificates; in the formalisation of user account registration contracts; in the generation of electronic time stamps; and in the safekeeping of evidence.

- Migration of Oracle database versions in the areas of development, pre-production and production of the Component Certification Authority for the DNle, passports and professional cards of the Directorate General of Police.
- Adaptation of the database backup system, which is replaced by a new backup system using disks; and migration to a new version of both the data storage service, Directory X.500, and the Linux operating system, used for certain functionalities.
- Further to the above, the pandemic triggered the pressing need to develop and start up new digital initiatives to maintain the general public's access to a range of procedures with no detriment to the appropriate measures in health and electronic security and legal validity.

As these measures were described in the section on COVID-19, may it be sufficient to mention them briefly here: the new system for the processing of Representative's Certificates via the Post Office so as to alleviate the effects of the closure to the public of most of the Registration Offices; and the development of a temporary remote identification procedure (digital onboarding) for the issuance of Private Individual Certificates with no need for the applicant to appear physically at the registration point.

Active certificates at December 31 2019 and 2020:

	2019	2020
CA User Certificates		
Private Individual	8.860.849	9.814.684
CA Public Administration Certificates		
Public Servant	409.745	490.435
Platform	1.734	2.200
Stamp	3.176	3.767
SUBTOTAL	414.655	496.402
CA Representative's Certificates		
Legal entity	516.446	486.841
No legal entity	171.164	168.243
Single and joint administrators	930.880	966.882
SUBTOTAL	1.618.490	1.621.966
CA IT Component Certificates		
Legal entity SSL	634	532
Legal entity SSL WILDCARD	367	386
Legal entity SSL Multidomain	93	115
Legal entity SSL Code Signature	27	23
Legal entity SSL Stamp	797	862
Other (issued manually)	13	10
SUBTOTAL	1.931	1.928
TOTAL	10.895.925	11.934.980



Research, Development and Innovation

Activities and projects relating to this area were developed in three clearly-differentiated scopes: external collaboration; collaboration with other FNMT-RCM departments; and internal projects. A description of the main projects is provided below:

External collaboration

- With the National Police Force in the implementation of systems and equipment for the issuance of DNI 3.0 and Passport 3.0; and in the commencement of the DNI 4.0 and DNI Express Project.
- With the Ministry of the Interior and the Ministry of Foreign Affairs and Cooperation to advise the European Commission Article 6 Committee (Commission Regulation (EC) n°. 16834/95, May 29 1995) on the production of residence permits and other Community identification documents.
- Participation in international forums concerned with value, identification and travel documents (European Commission and the International Civil Aviation Organisation (ICAO)).
- With international customers in projects concerning identification and travel documents.
- With a number of national and international bodies in the area of security document training.

Collaboration with other FNMT-RCM departments

- Implementation of the European directive on technical standards for the Tobacco Product Traceability System.
- The Bio Card Project, using the polymer PLA (polylactic acid), a sustainable plastic on account of its biodegradability.
- The Tachograph Card 2.0 Project.
- Participation in developments at the Paper Mill, such as: the PHENOMenon Project, part of the European Union Horizon 2020 Framework Programme for Research and Development, aimed at producing top-quality holographs; and the EXTRA Project, in which the viability of the Raman spectroscope for material identification is examined.

Internal projects

- Development and implementation of an R&D&I Management System in accordance with UNE Standard 166002, promoting the definition of an integrated project management system for FNMT-RCM in its entirety.
- Development and improvement of security features for value and identification documents.
- Tasks relating to the reproduction and forgeability of security documents, such as the inclusion of a digital stamp for the integration of digital signatures in non-electronic security documents.
- Technological Vigilance tasks within the scope of security documents: production technologies, security features and future technologies.

Laboratories

First and foremost, it is the laboratories' task to provide FNMT-RCM's productive departments with technical support. Aside from this, ENAC (National Accreditation Agency) carried out its annual verification to ensure that the institution's laboratories continue to meet sufficient requirements to keep the two certifications under Standard UNE EN ISO/IEC 17025: for paper at the Burgos laboratory and for precious metals at the Madrid laboratory.

External activity was focussed on the analysis and preparation of expert reports on coins and banknotes, both euro and other currencies; ongoing participation in technical groups engaged in the fight against the forgery of euro coins; as Official Laboratory of the Administration, the preparation of expert reports for a number of law courts; and, as Trusted Third Party of a number of national banks, the preparation of technical reports for banknotes and coins in a range of denominations.

International Identification Projects

In this area, activity centred on the provision of advisory services to governments as arranged under international cooperation contracts and on participation in tenders as a qualified product and services subcontractor.

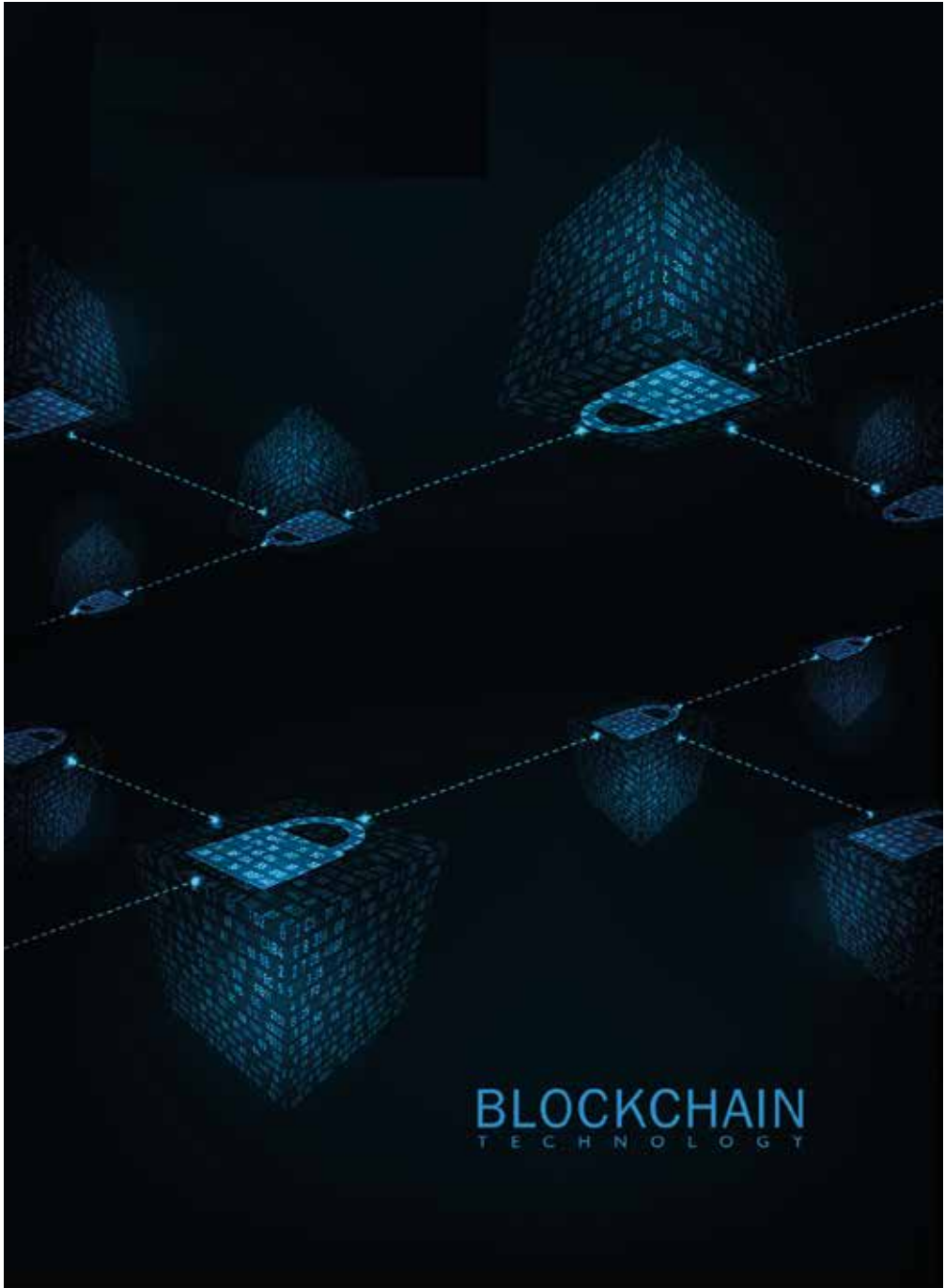
In 2020, as in previous years, the International Cooperation Agreement was signed with RENAPER (National Persons Register), part of the Ministry of the Interior of Argentina, entailing technical advisory services for the improvement of the issuance and modernisation process for the National Identity Card, both in its physical format and for mobile devices; and the electronic passport.



Information security and IT systems

In addition to steps taken to adapt FNMT-RCM's activity to the conditions established to minimise the impact of COVID-19, referred to earlier in this report, the following initiatives were put in place:

- One of the nodes in the European Blockchain Services Infrastructure (EBSI) was deployed and the provision of this service to third parties was set under way.
- Given the increase in teleworking, remote access security was stepped up by introducing double-factor authentication, otherwise known as two-step identity verification, and specific networks were created for the purpose.
- E-mail protection was improved, multiplying the filtering and analysis capacity by 10. This measure is considered fundamental in the defence against the cyberattacks sustained in the second half of 2020.
- With regard to security in the Windows environment, measures included the application of the securitisation guides in the National Security Scheme (high level). FNMT-RCM thus adhered to the basic performance principles of the electronic Public Administrations in the area of security.



Society and culture

Going back years, FNMT-RCM's contact with the general public has been constant, both through its cultural activity and through the widespread use of its products. So as to boost society's trust in its creations and its quality guarantee, FNMT-RCM attends the most prestigious professional forums where the latest developments are showcased and shared.

In recognition of its track record, in 2015, HM King Felipe VI bestowed on FNMT-RCM the Plaque of Honour of the Royal Order of Isabella the Catholic, the State's highest corporate distinction. In 2019, the institution became an honorary member of the Royal Hispanic Academy of Philately and Postal History.



FNMT-RCM's membership of associations *(G4-16)*

- **AELTE** (*European Lotteries and Toto Association*)
- **AERCE** (*Asociación Española de Profesionales de Compras, Contratación y Aprovisionamientos*)
- **ANE** (*Asociación Numismática Española*)
- **AUSAPE** (*Asociación de Usuarios de Sistemas Aplicaciones y Productos - SAP*)



- **AUTELSI** (Asociación Española de Usuarios de Comunicaciones y de la Sociedad de la Información)
- **CEEP** (Centro Europeo de Empresas Públicas)
- **CIBELAE** (Asociación Iberoamericana de Loterías)
- **CMAD** (Comisión Ministerial de Administración Digital del Ministerio de Hacienda)
- **CPCSAE** (Comisión Permanente del Consejo Superior de Administración Electrónica)
- **EUROLAB-España** (Asociación Española de Laboratorios de Ensayos, Calibración y Análisis)
- **EUROSMART** (*Smart Security Industry*)
- **GPSPA** (*Government Postage Stamp Printers' Association*)
- **GRANCEES** (Grandes Consumidores de Energía Eléctrica)
- **ICMA** (*International Card Manufacturers Association*)
- **INC** (*International Numismatic Commission*)
- **ICOM** (*International Council of Museums*)
- **MDC** (*Mint Directors Conference*)
- **MDWG** (*Mint Directors Working Group*)
- **RAHFHP** (Real Academia Hispánica de Filatelia e Historia Postal)
- **SIAEN** (Sociedad Iberoamericana de Estudios Numismáticos)



Museo Casa de la Moneda

On account of its top-drawer collections, its spacious premises and its scientific and cultural activity, Museo Casa de la Moneda is one of the world's leading museums of its kind. State-owned and attached to the Ministry of Finance, it is situated in Madrid, in the main building of FNMT-RCM, of which it forms part and which gives it its *raison d'être*. The entrance is at N°36, Calle Doctor Esquerdo, leading to the areas open to the public: the permanent exhibition, spaces for events, temporary exhibitions, the auditorium and the shop.



The origins of Museo Casa de la Moneda date back to the eighteenth century and are closely linked to the figure of Tomás Francisco Prieto, Master Engraver of the Mints of King Carlos III. The museum holds major collections of coins, medals, minting machinery and tools, banknotes, plates, postage stamps, stamped paper



etc. This brief list of its holdings would not be complete without a mention of the engraving and drawing room and an interesting history library with volumes from the sixteenth to the nineteenth centuries. Although not all the pieces are on show to the public, it is possible to gain access to them for the purpose of consultation and research, as is the case at any State-owned centre. The premises also house the headquarters of the Ibero-American Society of Numismatic Studies (SIAEN), to which the museum is linked by a protection partnership. It is here that the magazine *Numisma* is published.

Currently, in the firm belief that the museum should not limit itself to simply conserving the past, FNMT-RCM is launching a varied scientific and cultural programme both inside its premises and out. As a result, the museum has become a dynamic, fast-expanding institution: conferences, courses, concerts, temporary exhibitions, children's workshops, promotion of numismatics and philately and so on.

Naturally, in March, COVID-19 forced the museum to close and suspend its programme until May, when, with the help of virtual media, activities started to be gradually resumed. Nevertheless, at the same time, this unexpected, negative situation led to innovations in the museum's organisation and management, such as:

- Updating of the audiovisual content system. So as to minimise physical contact in video reproduction, BrightLink was installed. With this technology, the visitor may use his smartphone to scan the QR code providing access to audiovisual content and control viewing options by Wi-Fi.
- Virtualisation of temporary exhibitions thanks to 360° 3D digitisation. This enables virtual visits in which all the contents and experiences of the display may be enjoyed as if they were real, while keeping the exhibition space unaltered in time.





- Recording of didactic and cultural activities, such as storytelling and concerts. Available on the museum's website to anyone interested, these options have the twofold aim of maintaining the cultural offer despite the pandemic and of avoiding the physical presence of the general public.
- High-resolution digitisation of the museum's numismatic and graphic holdings with a view to easing access by any interested members of the public, specialists and researchers.

Activities

The main events traditionally held for the public's enjoyment consist in guided tours, concerts, storytelling and workshop-visits for schoolchildren. After the general cancellation of activities in March 2020 and their subsequent partial resumption, the final outcome was as follows:

- Guided tours led by volunteers from Confederación Española de Aulas de Tercera Edad (CEATE): out of a total 21,891 visitors, 2,800 opted for a guided tour.
- Concerts: of the 17 concerts scheduled, three were held onsite while another three were recorded and posted on the museum's website.
- Storytelling: of the eight events initially programmed, one onsite event was held and another two were recorded and posted on the museum's website.
- Workshop-visits: Workshops were held until March and were attended by a total 1,051 schoolchildren divided into 51 groups.
- Response to 180 consultations made by researchers and entities, not counting telephone queries and contact with the mass media.
- Attendance at exhibitions and trade fairs: the three scheduled displays were suspended: Salón Nacional de Numismática

2020, Barcelona; Feria Nacional del Sello 2020, Madrid; and Exposición Filatélica Nacional 2020, Cáceres, although this one took place virtually some months later.

Temporary exhibitions

- On our own premises, of the seven exhibitions initially planned for 2020, the following three took place:
 - **“EL DNI Y LOS ESPAÑOLES. 75 años de historia común (1944-2019)”**. Marking the 75th anniversary of the creation of the National Identity Document in 1944, this display was organised by the National Police Force in conjunction with FNMT-RCM. It lasted from October 11 2019 to January 6 2020.



- **“Algunos colores”**. A display of the work of José Manuel Broto, winner of the Tomás Francisco Prieto Award 2018. Held from February 3 to March 8 2020.
- **“Roberto Michel, Escultor del Rey”**. Organised jointly with Patrimonio Nacional, Museo Nacional del Prado, Real Academia de Bellas Artes de San Fernando and Madrid City Hall. Held from July 16 2020 to February 7 2021.
- Away from our premises, six temporary exhibitions were held in the form of the itinerant display EL DNI Y LOS ESPAÑOLES. 75 años de historia común (1944-2019), shown in the cities of Barcelona, Seville, Pamplona, Toledo, Valencia and Vitoria.



**Comparative data on Museo Casa de la Moneda's activity.
2018-2020**

ITEM	2020	2019	2018
Total number of visitors	21.891	56.409	47.426
Visitors to exhibitions	20.402	49.740	39.593
Visitors to activities	1.489	6.669	7.833
Temporary exhibitions and trade fairs	9	19	16
Website visits	182.399	254.479	241.080
Activities held	59	209	228
Guided group tours	113	546	415
Requests from researchers	180	115	82
Complaints and claims	0	3	5



School of Engraving and Graphic Design

The school was founded in 1990 with a view to combining tradition with modernity through the teaching of the age-old technique of burin engraving and the latest trends in computer-assisted design, the overall aim being to produce highly-qualified professionals.

Nowadays, as a result of the agreement of cooperation signed in 2010 with the Faculty of Fine Arts of the university, Universidad de Castilla-La Mancha, the school continues to offer a proprietary Master Diploma in Engraving and Graphic Design. There are two specialisms available on the course: engraving and graphic design, each with a cycle of 120 European Credits (ECTS). A maximum of 16 students is admitted per intake. In 2020, after a second semester of telematic classes due to the pandemic, the ninth intake was able to graduate thanks to the remote study system.



Corporate training practicals

The table below shows the key figures relating to this area:

TYPE OF PRACTICAL	ITEM	TOTAL
Agreement of Cooperation with universities	Centres under agreement	1
	Students undertaking practicals	13
	Months of practicals (accumulated)	51
	FNMT-RCM's financial contribution:	
	Grants	29,090
	Social Security contributions	2,788.10
Agreement of cooperation with Occupational Training Centres	Centres under agreement	3
	Students undertaking practicals	5
	Months of practicals (accumulated)	11

Annex 1.

Financial Statements and Directors' Report

(G4-9) (EC-1) (EC-4) *

A summary is provided below of the FNMT-RCM financial statements for the financial year and Directors' Report 2020, along with the requisite Auditor's Report issued by the Office of the General State Comptroller in respect of those statements.

The contents of the annex are as follows:

- Income Statements for the Financial Year
- Balance Sheet at 31 December
- Directors' Report
- Auditor's Report on the Financial Statements issued by the Office of the General State Comptroller

Full information on this annex may be found at the website of the Office of the General State Comptroller: Register of public sector financial statements, because financial statements are no longer published in the Official State Gazette from this year.

* Global Reporting Initiative Indicators (information on page 128 et seq.)

51695882
1017054682523740
388673
7403526
0704367 237
0025885 55 96809
39 1069379891820
1 120107698947
81661418282
612 75 97579 880
7133706 58529
7046563412
26397



Income Statement for the year 2020

(Expressed in €'000)

	Note	31-12-2020	31-12-2019
A) CONTINUING OPERATIONS			
1. Net turnover	Note 18.1	248.023	262.316
a) Sales		217.195	227.011
b) Services		30.828	35.305
2. Change in inventories of finished goods and work in progress		(3.361)	6.503
3. In-house work on non-current assets		258	333
4. Procurements	Note 18.2	(83.348)	(92.455)
a) Cost of goods held for resale used		(573)	(996)
b) Cost of raw materials and other consumables used		(72.362)	(84.731)
c) Work performed by other companies		(9.674)	(7.238)
d) Write-down of goods held for resale, raw materials and other supplies		(739)	510
5. Other operating income		183	594
a) Non-core and other current operating income		83	159
b) Income-related grants transferred to profit or loss	Note 18.3	100	435
6. Staff costs	Note 18.4	(70.074)	(70.693)
a) Wages, salaries and similar expenses		(50.737)	(51.227)

	Note	31-12-2020	31-12-2019
b) Employee benefit costs		(19.337)	(19.393)
c) Provisions		-	(73)
7. Other operating expenses		(48.573)	(49.924)
a) Outside services	Note 18.5	(45.788)	(49.202)
b) Taxes		(2.094)	(2.044)
c) Losses on, impairment of and changes in allowances for trade receivables	Note 18.6	(523)	1.322
d) Other current management expenses		(168)	-
8. Depreciation and amortisation charge	Note 5, 6 y 7	(13.397)	(13.499)
11. Impairment and gains or losses on derecognitions of fixed assets	Note 6	(7)	(195)
a) Impairment and other losses		113	1
b) Gains or losses on derecognitions and other		(120)	(196)
OPERATING PROFIT		29.704	42.980
13. Finance income		28	260
a) On interests in equity instruments		-	162
b) On marketable securities and non-current loans		28	98
b2) Third parties		28	98
14. Financial expenses		(463)	(255)
b) On third-party liabilities		(463)	(255)
15. Fair value change in financial instruments		-	(2.322)
b) Available-for-sale financial assets through profit and loss		-	(2.322)

	Note	31-12-2020	31-12-2019
16. <i>Exchange differences</i>	Note 18.7	(381)	(242)
17. <i>Impairment and profit or loss on the sale of financial instruments</i>		-	2.322
a) Impairments and losses		-	2.322
b) Profit or loss on sales and other		-	-
FINANCIAL PROFIT OR LOSS		(816)	(237)
PROFIT BEFORE TAX		28.888	42.743
18. <i>Income tax</i>	Note 17	(6.770)	(10.056)
PROFIT FOR THE YEAR		22.118	32.687

The accompanying notes 1 to 23 are an integral part of the Income Statement for the year 2020..





Balance Sheet at 31 December

(Expressed in €'000)

ASSETS	Note	31-12-2020	31-12-2019
A) NON-CURRENT ASSETS		218.687	194.047
<i>I. Intangible assets</i>	Nota 5	563	1.350
5. Computer software		563	1.350
<i>II. Property, plant and equipment</i>	Nota 6	164.336	156.536
1. Land and buildings		85.627	86.516
2. Plant and other items of property, plant and equipment		67.685	59.307
3. Property, plant and equipment in the course of construction and advances		11.024	10.713
<i>III. Investment property</i>	Nota 7	11.302	11.520
1. Land		8.715	8.715
2. Buildings		2.587	2.805
<i>IV. Non-current investments in group companies and associates</i>	Nota 9.1	31.075	21.075
1. Equity instruments		31.075	21.075
<i>V. Non-current financial assets</i>	Nota 9.2	8.032	451
1. Equity instruments		-	-
2. Loans to third parties		7.893	312
5. Other financial assets		139	139
<i>VII. Deferred tax assets</i>	Nota 17	3.379	3.115

B) CURRENT ASSETS		312.910	349.812
<i>II. Inventories</i>	Note 10	49.710	58.606
1. Goods held for resale		216	292
2. Raw materials and other supplies		28.327	33.787
3. Work in progress		12.249	13.474
4. Finished goods		8.918	11.053
<i>III. Trade and other receivables</i>		26.375	42.072
1. Trade receivables for sales and services	Note 11	25.757	41.656
2. Receivable from group companies and associates		80	88
3. Sundry accounts receivable		44	34
4. Employee receivables		239	293
6. Other accounts receivable from Public Authorities		255	1
<i>V. Current financial assets</i>	Note 9.2	13	45.038
2. Short-term loans to third parties		-	17
5. Other financial assets		13	45.021
<i>VI. Current prepayments and accrued income</i>		-	469
<i>VII. Cash and cash equivalents</i>	Note 12	236.812	203.627
1. Cash		236.812	203.627
TOTAL ASSETS (A + B)		531.597	543.859

The accompanying notes 1 to 23 are an integral part of the Balance Sheet at 31 December de 2020.

LIABILITIES	Nota	31-12-20	31-12-19
A) EQUITY		490.876	501.445
<i>A-1) Owners' equity</i>	Note 13	490.876	501.445
<i>I. Capital</i>		10.047	10.047
1. Authorised capital		10.047	10.047
<i>III. Reserves</i>		458.711	458.711
1. Reserves provided for in the articles		309.773	309.773
2. Voluntary reserves		148.938	148.938
<i>VII. Profit for the year</i>		22.118	32.687
B) NON-CURRENT LIABILITIES		7.355	7.389
<i>I. Long-term provisions</i>	Note 14	7.217	7.111
1. Provisions for long-term employee benefit obligations		4.194	4.028
4. Other provisions		3.023	3.083
<i>II. Long-Term Debts</i>		-	140
1. Other Long-Term debts		-	140
<i>III. Long-Term debts with group companies and associates</i>		138	138
C) CURRENT LIABILITIES		33.366	35.025
<i>II. Short-term provisions</i>		2.089	35.025
<i>III. Current payables</i>	Note 15	4.715	3.038
2 Credit institution payables		27	-
5. Other financial liabilities		4.688	3.038
<i>V. Trade and other payables</i>		26.562	30.689
1. Payable to suppliers		10.380	17.752

LIABILITIES	Nota	31-12-20	31-12-19
2. Suppliers, jointly controlled companies and related parties	Note 16	734	1.955
3. Sundry accounts payable		6.265	3.131
4. Personnel (remuneration payable)		1.699	1.158
5. Current tax liabilities	Note 17	470	474
6. Other accounts payable to Public Authorities	Note 17	5.419	5.231
7. Customer advances		1.595	988
TOTAL EQUITY AND LIABILITIES (A + B + C)		531.597	543.859

The accompanying notes 1 to 23 are an integral part of the Balance Sheet at 31 December de 2020.



Directors' Report Year 2020

The financial year 2020 was marked by the impact of the COVID-19 health crisis on the Spanish economy and also logically on the business of FNMT-RCM and all its public sector clients.

Even during the most critical months of the pandemic, FNMT-RCM kept its business going to a sufficient extent to guarantee the supply of products and the provision of essential services to the various Public Authorities. Putting employee health first at all times, FNMT-RCM was therefore able to meet its commitments with its main clients, in a very complicated environment.

The onset of the health crisis immediately triggered the FNMT-RCM Continuity Plans, and the relevant protocols. Various working groups were set up: the Crisis Cabinet led by the Chair-Chief Executive, coordinating all actions; the Steering Committee, to arrive at agreements between the Management and employee representatives; and the Coordination Group, to improve communication and encourage COVID best practices. These groups analysed the evolution of the crisis in real time, taking appropriate actions that have proved to be very effective in the struggle to contain COVID-19 within the Entity and to meet our commitments to our institutional clients. It should moreover be noted that all Entity staff have been aware of the importance of FNMT-RCM's activity throughout the State, showing high levels of responsibility and professionalism.

From a regulatory standpoint, and also within the context and as a result of the work done by FNMT-RCM during the health crisis period, one of the most relevant events of the financial year 2020 was the publication of Royal Decree 11/2020, final provision seven of which amends the legal regime of FNMT-RCM, enabling it to act as a personified in-house provider of the contracting authorities attached to state, regional and local public authorities.

The approach to the initial Budget for the financial year 2020 was very similar to the true figures for the financial year 2019. Whereas there were very stable production schedules for coins, identification documents, lotteries, and electronic certificates, the outbreak of the pandemic from the month of March brought about a drastic reduction of demand, far more so during the month of April. It was not until the end of the month of May when the Entity's production activity began to go back to more intensive levels, the strategy being to anticipate the de-escalation which our clients began applying months later.

These exceptional circumstances caused by the pandemic directly impacted sales and performance to a substantial extent during the first six months of the financial year, partly mitigated in recent months. However, the initial budget for the year 2020 has not been achieved, although the negative impact of the health crisis on the Entity's financial statements has been limited because at the same time a sales dropped, so did significantly the various expense items of the income statement.

Turnover amounted to EUR 248 million in the year 2020, 5.5% below the figure of the previous financial year.

As for operating expenses, they are down directly in connection with the lower sales volume.

Respecto a los gastos de explotación, han sufrido un decremento relacionado directamente con la reducción del volumen de ventas.

The average headcount in the year 2020 was 1,304 people, in line with the previous year.

The percentage of women with respect to total employees considering the workforce at the year-end remains at 21.8%, which is very similar to the figure in preceding years.

As a result of the joint effect of the various income statement headings, profit after tax was in excess of EUR 22 million, which accounts for 9% of net sales.

The Entity's equity reflects a consolidation of its sound financial structure. This situation has allowed the various investments required to be made in order to keep up the high standards of technological updating for all its products and services.

Investments made during the year 2020 amounted to EUR 20 million, noteworthy being investments in machinery and facilities.

During the year 2020, the Entity has continued with its strategic objective to improve its service and product offering, keeping up an extensive activity to develop identification projects and new security measures, and has at the same time put in place a whole host of actions in more disruptive technological activities.

Similarly, the Emerging Technology Committee, set up in the year 2017 within the Business Plan, in order to boost the work carried out in the different departments, continues to carry on its activity. This committee is tasked with pooling and coordinating the efforts under way in the field of technology in the different departments.

The aforementioned Business Plan implemented throughout the previous year and which continues to be implemented in 2020 has had its time for completion rescheduled and extended based on the new identified needs. The four main pillars on which it was based continue to guide its development in an effort to focus on ensuring the Entity's sustainability and development. On the one hand, adaptation to emerging technologies, already referred to in the preceding paragraphs, and which seeks to apply not only insofar as concerns a modernised product and service catalogue, but also the attainment of more efficient internal processes. Additionally, the focus is on such aspects as cultural change, securing of public interest, considering its focal point, encouragement of new markets and improved competitiveness.

As for the outlook into the Entity's foreseeable future in the internal year 2021 budget, sales are estimated at some EUR 271 million and profit after tax is estimated at EUR 23 million, these figures being very similar to the original budget for the financial year 2020.

Sales of a number of traditional products are on the one hand expected to be slower, but the various European aid plans are expected to boost demand for technological projects by various authorities to speed up the various economy digitisation processes and FNMT-RCM can play an important role with its service offering in boosting this activity.



Auditor's Report on the Financial Statements

Reproducción literal del Informe de la Intervención General de la Admón. del Estado

AUDITOR'S REPORT ON FINANCIAL STATEMENTS ISSUED BY THE OFFICE OF THE GENERAL STATE COMPTROLLER (IGAE)

To the Chief Executive of FÁBRICA NACIONAL DE MONEDA Y TIMBRE - REAL CASA
DE LA MONEDA

I. Qualified opinion

The Office of the General State Comptroller, using the powers it has under article 168 of the General Budget Act, has audited the financial statements of Fábrica Nacional de Moneda y Timbre - Real Casa de la Moneda (hereinafter, FNMT-RCM or the entity), which comprise the balance sheet at 31 December 2020, the income statement, the statement of changes in equity, the statement of cash flows and the notes to the financial statements for the year then ended.

In our opinion, other than regarding the effects of the matter described in the section Basis for the qualified opinion of our report, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of FNMT-RCM at 31 December 2020, and of its results and cash flows, for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 to the financial statements) and, in particular, with the accounting principles and standards therein contained.



II. Basis for opinion

The Balance Sheet item “Loans to third parties” in part V. Non-current financial assets under Non-current assets amounts to EUR 7,589 thousand, which is the result of re-measuring at 3% (legal interest rate) over an estimated two-year collection period an institutional client’s EUR 8,051 thousand debt to FNMT for supplies delivered between December 2017 and August 2018, booking as financial expenses the EUR 462 thousand difference. Since 2018, this was included on the FNMT balance sheet as a current receivable following a reclassification during 2020 because collection was expected, as aforementioned, within 2 years.

The client has paid invoices dated subsequently to the invoices supporting this debt. The client (who acknowledges that the debt has not been paid) argues that the issue underlying payment of this receivable lies in its limitative budget, and that the client had no contractual cover in 2018 for these supplies. Article 34 of the General Budget Act establishes a limitation for payment of a previous year liability out of current year debts and actual payment is subject to a specific budget allocation being made for previous year liabilities, and no such allocation has been included in the 2021 Budgets. So, FNMT expects its inclusion in the 2022 Budgets, but there is no evidence that this will occur and the fact is that it was included in the 2021 draft bill but failed to make it past the budgetary process.

The uncertainty as to whether and when the above issues will be resolved and therefore the absence of evidence as to the reasonableness of the assumptions made by FNMT as to the expected collection date and the discount rate considered for calculation purposes means that we are unable to give an opinion as to whether the booking of this debt gives a true and fair view.

We conducted our audit in accordance with financial statement audit regulations in force for the Public Sector in Spain. Our responsibilities under those regulations are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report.



We are independent of the entity in accordance with the ethical and independence assurance requirements applicable to our audit of the financial statements for the Public Sector in Spain in accordance with the financial statement audit regulations for that Public Sector.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

III. Key audit matters

The key audit matters are those matters which, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on the work performed, we have found that there are no significant risks that must be disclosed in our report.

IV. Otras Cuestiones: cambio de sentido de la opinión respecto al ejercicio anterior

On 15 June 2020 we issued an audit opinion on the FNMT-RCM financial statements for the year ended 31 December 2019 in which we expressed a favourable opinion.

V. Other Information

IV.1.- FNMT-RCM as an in-house provider

FNMT-RCM refers in note 1 to the financial statements to its Status as in-house provider of the General State Administration and state public sector public bodies, entities and agencies.

As a result of the reorganisation of its activities triggered by the spin-off of the banknote production business line, the entity justified its level of activity by means of business projections from which it followed that the percentage of activity as in-house provider and technical service for the 2019-2021 three-year period was to be 81.64% (based on total expected sales), and therefore exceeded the required 80%. Our analysis was limited to verifying compliance with the projections for 2020 based on the year's actual figures, which are indeed above 80% . As for the projections set for 2021, given their nature, the actual outcome might differ from those projections.

1 Based on actual figures for 2020, the percentage activity as in-house provider for the three-year period would now be 81.07%, compared to the initially estimated 81.64%.



IV.2. Other information: Directors' report and report on compliance with the economic and financial obligations of State public sector entities subject to the General Accounting Plan for Spanish companies and adaptations thereto for public sector entities

The Other information comprises the FNMT-RCM directors' report for the year 2020 and the report on compliance with that entity's economic and financial obligations as a Public Sector entity established in article 129.3 of the General Budget Act, the preparation of which is the responsibility of the entity's management body, and which are not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the Other Information. Our responsibility regarding the other information, as required by financial statement audit regulations, is to assess and report on the consistency of the other information with the financial statements, based on the knowledge of the entity obtained in conducting the audit of those financial statements, not including information other than that obtained as evidence during the same. In addition, our responsibility with respect to the directors' report is to assess and report as to whether its content and presentation are in accordance with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed as described in the preceding paragraph, we have nothing to report with respect to the other information. The information contained therein is consistent with that of the financial statements for the year 2020 and its content and presentation are in accordance with the applicable regulations.

VI. Chair's responsibilities for the audit of the financial statements

The FNMT-RCM Chair is responsible for preparing the accompanying financial statements in a manner that gives a true and fair view of the entity's equity, financial position, results and cash flows, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as is considered necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the FNMT-RCM Chair is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management body intends or is required by law to liquidate the entity or to cease its operations or has no realistic alternative but to do so.



VII. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the financial statement audit regulations for the Public Sector in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the financial statement audit regulations in force for the Public Sector in Spain, we exercise our professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than in the case of a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the management body.



— Conclude on the appropriateness of the use by the entity's officers of the going concern basis of accounting and, based on the audit evidence obtained, conclude whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the entity's officers regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

From the matters communicated to the entity's officers, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

This auditor's report was signed electronically by the Public Audit Head of Division II of the National Audit Office and a National Auditor, Team Manager, at Madrid, on 23 June 2021.

Annex 2

GRI Indicators

(Global Reporting Initiative, Version 4.0)

N/A **Not applicable**

N/E **Non-existent**

S/D **No data**

DESCRIPTION		
1.- STRATEGY AND ANALYSIS		
G4 1	Declaración del responsable principal	06
2.- ORGANISATIONAL PROFILE		
G4 3	Name of the organisation	10
G4 4	Primary brands, products and/or services	19
G4 5	Location of organisation's headquarters	25
G4 6	Countries where the organisation operates	N/A
G4 7	Nature of ownership and legal form	19
G4 8	Markets served	70
G4 9	Scale of the organisation	108
G4 10	Employees by type of contract and gender	51
G4 11	Employees under a collective bargaining agreement	51
G4 12	Organisation's supply chain	40
G4 13	Material changes in the supply chain	N/E
G4 14	Approach to the precautionary principle	N/A
G4 15	Charters, principles and initiatives subscribed	N/E
G4 16	Membership of associations and organisations	94



3.- MATERIALITY AND BOUNDARY		
G4 17	Entities included in financial statements	10
G4 18	Process for defining the report's content and boundary	12
G4 19	Material aspects covered by the report	13
G4 20	State the boundary of each material aspect within the organisation	13
G4 21	State the boundary of each material aspect outside the organisation	13
G4 22	Effects of any restatements of information provided in earlier reports	10
G4 23	Significant changes from previous reporting periods in the scope and boundary of each aspect	N/E
4.- STAKEHOLDER ENGAGEMENT		
G4 24	Stakeholders linked to the organisation	36
G4 25	Selection of stakeholders with whom to engage	34
G4 26	Organisation's approach to stakeholder engagement	37
G4 27	Key topics and concerns raised through stakeholder engagement and how the organisation has responded	38
5.- REPORTING PROFILE		
G4 28	Reporting period	10
G4 29	Date of the most recent previous report	10
G4 30	Reporting cycle	10
G4 31	Contact point for questions regarding the report or its content	10
G4 32	GRI Content Index	10
G4 33	External assurance	12
6.- GOVERNANCE		
G4 34	Governance structure of the organisation	44

7.- ETHICS AND INTEGRITY		
G4 56	Organisation's values, principles, standards and norms	22
G4 57	Internal and external mechanisms seeking advice on ethical and lawful behaviour	25
G4 58	Internal and external mechanisms for reporting concern about unethical or unlawful behaviour and matters related to the organisation's integrity	25
8.- INDICATORS		
8.1.- ECONOMIC		
	Economic performance	
EC 1	Direct economic value generated and distributed	108
EC 2	Financial implications and other risks and opportunities for the organisation's activity due to climate change	N/A
EC 3	Coverage of the organisation's defined benefit plan obligations	N/A
EC 4	Significant financial assistance received from government	108
	Market presence	
EC 5	Ratio of standard entry wage by gender compared to local minimum wage at significant locations of operation	N/A
EC 6	Percentage of senior management hired from the local community at significant locations of operation	N/A
	Indirect economic impacts	
EC 7	Development and impact of infrastructure investments and types of service	N/A
EC 8	Significant indirect economic impacts, including the extent of impacts	N/A
	Procurement practices	
EC 9	Percentage of the procurement budget used for significant locations of operation spent on suppliers local to that operation	N/A

8.2.- ENVIRONMENT		
	Materials	
EN 1	Materials by weight or volume	63
EN 2	Percentage of materials used that are recycled input materials	N/E
	Energy	
EN 3	Direct energy consumption	63
EN 4	Indirect energy consumption	S/D
EN 5	Energy saved due to conservation and efficiency improvements	64
EN 6	Reduction of energy consumption	60
EN 7	Initiatives to reduce indirect energy consumption and reductions achieved	N/E
	Water	
EN 8	Total water withdrawal by source	64
EN 9	Water sources significantly affected by withdrawal of water	64
EN 10	Percentage of total volume of water recycled and reused	N/E
	Biodiversity	
EN 11	Location and site of land owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	N/A
EN 12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity outside protected areas	N/A
EN 13	Habitats protected or restored	N/A
EN 14	Number of ICJN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	N/A

	Emissions	
EN 15	Direct emissions of greenhouse gases (Scope 1)	65
EN 16	Indirect emissions of greenhouse gases from the generation of energy (Scope 2)	N/A
EN 17	Other indirect greenhouse gas emissions (Scope 3)	N/A
EN 18	Greenhouse gas emission intensity	65
EN 19	Reduction of greenhouse gas emissions	N/E
EN 20	Emissions of ozone-depleting substances	N/E
EN 21	NO _x , SO _x and other significant air emissions	N/E
	Effluents and waste	
EN 22	Total water discharge, by quality and destination	N/E
EN 23	Total weight of waste, by type and disposal method	66-67
EN 24	Total number and volume of significant spills	N/E
EN 25	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention (Annexes I, II, III and VIII) and percentage of transported waste shipped internationally	N/E
EN 26	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	N/A
	Products and services	
EN 27	Initiatives to mitigate environmental impacts of products and services	N/E
EN 28	Percentage of products sold and their packaging materials that are reclaimed, by category	N/E
	Compliance	
EN 29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	62

	Transport	
EN 30	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations and transporting members of the workforce	67
	Overall	
EN 31	Total environmental protection expenditures and investments, by type	68
	Supplier environmental assessment	
EN 32	Percentage of new suppliers that were screened using environmental criteria	N/E
EN 33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	N/E
	Environmental grievance mechanisms	
EN 34	Total number of grievances about environmental impacts filed through formal grievance mechanisms	N/E
8.3. SOCIAL PERFORMANCE		
LABOUR PRACTICES AND DECENT WORK		
	Employment	
LA 1	Total number and rate of new employee hires and employee turnover by age group, gender and region	52
LA 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	N/E
LA 3	Return to work and retention rates after parental leave, by gender	N/A
	Labour-management relations	
LA 4	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	52
	Occupational health and safety	
LA 5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help, monitor and advise on occupational health and safety issues	57

LA 6	Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities by region and by gender	59
LA 7	Workers involved in occupational activities with a high incidence or high risk of specific diseases	N/E
LA 8	Health and safety issues covered in formal agreements with trade unions	28
	Training and education	
LA 9	Average hours of training per year per employee by gender and employee category	54
LA 10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing their career endings	54
LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and employee category	N/E
	Diversity and equal opportunity	
LA 12	Composition of governance bodies and breakdown of employee category according to gender, age group, minority group membership and other indicators of diversity	53
	Equal remuneration for women and men	
LA 13	Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation	53
	Supplier assessment for labour practices	
LA 14	Percentage of new suppliers that were screened using labour practices criteria	N/E
LA 15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	N/E
	Labour practices grievance mechanisms	
LA 16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	53

HUMAN RIGHTS		
	Investment	
HR 1	Percentage and total number of significant investment agreements and contracts that included clauses incorporating human rights concerns or that have undergone human rights screening	N/E
HR 2	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	N/E
	Non-discrimination	
HR 3	Total number of incidents of discrimination and corrective actions taken	N/E
	Freedom of association and collective bargaining	
HR 4	Operations and significant suppliers identified in which the exercise of freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	N/E
	Child labour	
HR 5	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the effective abolition of child labour	N/E
	Forced and compulsory labour	
HR 6	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	N/E
	Security practices	
HR 7	Percentage of security personnel trained in the organisation's policies and procedures concerning aspects of human rights that are relevant to operations	N/E
	Indigenous rights	
HR 8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	N/A

	Assessment	
HR 9	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	N/E
	Supplier assessment for human rights	
HR 10	Percentage of new suppliers that were screened using human rights criteria	N/E
HR 11	Significant actual and potential negative impacts for human rights in the supply chain and actions taken	N/E
	Human rights grievance mechanisms	
HR 12	Number of grievances about human rights filed, addressed and resolved through formal grievance mechanisms	N/E
SOCIETY		
	Local community	
SO 1	Percentage of operations with implemented local community engagement, impact assessment and development programmes	N/A
SO 2	Operations with significant potential or actual negative impacts on local communities	N/A
	Corruption	
SO 3	Percentage and total number of business units analysed for risks related to corruption and significant risks detected	N/E
SO 4	Anti-corruption communication and training policies and procedures	N/E
SO 5	Actions taken in response to confirmed cases of corruption	N/E

	Public policy	
SO 6	Total value of political contributions by country and recipient/ beneficiary	N/A
	Anti-competitive behaviour	
SO 7	Total number of legal actions for anti-competitive behaviour and monopoly practices and their outcomes	N/E
	Compliance	
SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	N/E
	Supplier assessment for impacts on society	
SO 9	Percentage of new suppliers that were screened using criteria for impacts on society	N/E
SO 10	Significant actual and potential negative impacts on society in the supply chain and actions taken	N/E
	Grievance mechanisms for impacts on society	
SO 11	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms	N/E
PRODUCT RESPONSIBILITY		
	Customer health and safety	
PR 1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvements	N/E
PR 2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcome	N/E

	Product and service labelling	
PR 3	Type of product and service information and labelling required by procedures and percentage of significant products and services subject to such information	N/E
PR 4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling by type of outcome	N/E
PR 5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	39
	Marketing communications	
PR 6	Sale of banned or disputed products	N/E
PR 7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcome	N/E
	Customer privacy	
PR 8	Total number of substantial complaints regarding breaches of customer privacy and losses of customer data	N/E
	Compliance	
PR 9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	N/E



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