Translation for information purposes only, in case of discrepancy between this English version and the original Spanish version, the Spanish version shall prevail.

NON-EQUITY SECURITIES

BASE PROSPECTUS

2018

EUR 15,000,000,000

CAIXABANK, SA

This Base Prospectus was prepared in accordance with Annexes I, V, XII and XXII of (EC) Regulation 809/2004, of 29 April 2004, was filed with the Spanish securities market regulator (Comisión Nacional del Mercado de Valores or CNMV) on 24 July 2018 and includes as a reference the Registration Document of CAIXABANK, SA, filed with the CNMV on 12 July 2018.

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I. SUMMARY (Annex XXII of EC Regulation 809/2004)

The information contained in this summary (the "Summary") is divided into five sections (A-E) and numbered in each section according to the format required under EC Regulation 809/2004 (e.g. B.1-B.50). The number omitted from this Summary refer to information required under the Regulation for other forms of prospectus. Information required under this format, but which does not apply due to the nature of the security or Issuer, is referred to as "not applicable".

	Section A – Introduction and notices
A.1	**Notice:** • This Summary should be read as the introduction to the Base Prospectus, which comprises the Registration Document of CAIXABANK, SA ("CaixaBank", "CAIXABANK", the "Issuer" or "Issuing Entity"), filed with the CNMV on 12 July 2018 and the Non-Equity Securities Base Prospectus 2018, filed with the CNMV on 24 July 2018. • Any decision to invest in these securities should be based on the investor's consideration of the whole prospectus. • If a claim is brought before a court against the information contained in this Prospectus, the investor filing the claim may, in virtue of the national law of the member states, have to pay the cost of translating this Prospectus before the legal proceedings may begin. • Civil liability will only be imposed on the persons presenting the Summary, including any translation thereof, and only if the Summary is misleading, inaccurate or inconsistent with the other parts of the Prospectus, or, when read with other sections of the Prospectus, does not provide the basic information to help investors in their decision on whether or not to invest in these securities.
A.2	**Consent to the use of this prospectus by financial intermediaries:** Not applicable. The Company has not given its consent to any financial intermediary to use this Prospectus in the subsequent sale or final placement of the securities.

	Section B – Issuer
B.1	**Legal and commercial name of the Issuer** The corporate name of the Issuer is CAIXABANK, SA and it operates under the commercial brand "CaixaBank".
B.2	**Registered office and legal form of the Issuer, legislation under which it operates and country of incorporation** The Issuer's registered office is in Spain, at Calle Pintor Sorolla, 2-4, 46002-Valencia. It is a public limited company subject to special Spanish legislation governing credit institutions in general, and the supervision, control and regulations of the Bank of Spain, in particular, and from 4 November 2014, of the European Central Bank (ECB), which took on new supervisory functions with the entry into force of the Single Supervisory Mechanism (SSM). The SSM comprises the ECB and national supervisory authorities of participant EU countries
B.3	**Description and key factors relating to the nature of the Issuer's outstanding operations and its principal activities, stating the main categories of products sold and/or services performed, and indicating the main markets the Issuer competes in.** The CaixaBank Group's financial information is divided into four business segments: • **Banking and Insurance**: represents the Group's main activity and includes all profit and loss from banking, insurance and asset management obtained by the Group, mainly in Spain; in addition to liquidity management, the Asset Liability Committee (ALCO), financing for the other businesses and the Group-wide corporate activities. • **Non-Core Real Estate** includes the profit or loss, net of financing costs, deriving from real estate assets in Spain defined as non-core: ✓ Non-core developer lending ✓ Foreclosed real estate assets (available for sale and rental) mainly owned by the real estate subsidiary BuildingCenter. ✓ Other real estate assets and interests. • **Equity Investments**: essentially includes dividend income and/or income accounted for using the equity method, net of financing costs, from the interests held in Erste Group Bank, Repsol, Telefónica, BFA, BCI and Viacer. It also includes the significant impacts on income of other relevant stakes acquired by the Group in Spain as part of its diversification across sectors, as well as the stakes consolidated through BPI. It includes the contribution to the CaixaBank Group through to May 2016 of the attributable profit from the stakes held in Bank of East Asia and GF Inbursa. In 2017, it includes Banco BPI's profit and loss for January. Following the completion of the takeover, as of February, BPI's results have been reported as a new business under the full consolidation method. • **BPI**: includes the profit or loss contributed by BPI from February 2017, from which time its assets and liabilities have been reported using the full consolidation method (considering the adjustments made to the business combination). The statement of profit or loss shows the reversal of the fair value adjustments of the assets and liabilities resulting from the business combination and excludes profit or loss and balance sheet figures associated with the assets of BPI assigned to the equity investments business (essentially BFA, BCI and Viacer), mentioned above. The relative weight of the different business segments in terms of net interest income and gross income at 31 March 2018 is as follows: **BUSINESS** / **Net interest income** / **Gross income** Banking and Insurance: 95% / 86% Non-core real estate: 0% / (4%) Equity investments: (3%) / 10% BPI: 8% / 8% The CaixaBank Group's main market is Spain, accounting for 89.6% of ordinary income at 31 March 2018 (92.6% at 31 December 2017).

B.4a	**Most significant recent trends affecting the Issuer and the sectors in which it operates**

Global economic climate and markets

The positive trend observed at the close of 2017 (global growth of 3.8% Source: IMF) has continued in 2018 and all indicators suggest that global growth will accelerate this year, reaching levels of just under 4% (CaixaBank Research forecasts). The factors underpinning this acceleration include: funding conditions that are likely to remain "accommodative", oil prices staying in a reasonable range and, in the emerging markets, the positive outlook for growth is slated to pick up as the Asian markets reach cruising speed and on the gradual recovery of Russia and Brazil.

However, this favourable global macroeconomic outlook is not exempt from risk. The main areas of global risk relate chiefly to world trade on fears of an escalation in trade tensions and the emergence of protectionist sentiment. Secondly, microfinancial risk, where we could see new episodes of financial volatility, due, for instance, to the rapid growth in Chinese corporate debt, vulnerabilities in certain emerging markets or further stock market corrections in the US and their impact on global activity. Meanwhile, geopolitical risk remains a genuine cause for concern (North Korea, Middle East, NAFTA negotiations, Brexit, etc.).

Economic scenario - Europe, Spain and Portugal

Eurozone GDP is expected to grow by 2.2% in 2018 (CaixaBank Research forecasts), compared to 2.6% in 2017. In this positive economic context, the ECB has announced the end of its net asset purchasing policy in December 2018. However, as inflation is likely to continue rising very gradually, the central bank will maintain an accomodative monetary policy based on the reinvestment of principal and low interest rates. Despite the overall positive trend, there are several challenges facing the European Union. In the short term, while Brexit negotiations are proving to be a complex affair, CaixaBank Research continues to expect an agreement to be hammered out with the United Kingdom that will ensure a smooth and orderly transition. The support for the eurosceptic position in Italy is also a risk, although CaixaBank Research believes that the Italian government will ultimately prevent any openly disruptive policies from being implemented that could trigger an even greater financial crisis. On a longer term horizon, the process of European integration should be deepened.

Turning to the Spanish economy, GDP is expected to grow by 3.1% in 2017 (Source: INE) and activity indicators suggest that growth rates will remain high, climbing an estimated 2.8% (CaixaBank Research forecasts) in 2018. All of this in the context of a favourable external environment. Political fragmentation and the uncertainties arising from the national political situation are internal risks affecting the Spanish economy, which may impact its schedule of reforms and fiscal adjustments or hold back the country's economic growth. As a result of these political uncertainties, the Bank of Spain estimated in November 2017 that, in an extreme scenario in which tensions were to persist throughout 2018, the cumulative impact on growth would be 2.5 pp to 2019. In addition to political factors, there is a consensus that despite the improvement in the labour market, the jobless rate will remain high over the next few months. As the Spanish economy is particularly sensitive to economic conditions in the Eurozone, the main export market for Spanish goods and services, a marked slowdown in the recovery of the euro area could also have a negative impact on its economy.

The Portuguese economy is showing a healthy complexion. CaixaBank Research forecasts point to GDP growth of 2.3% in 2018 and 2.7% in 2017 (source: INE of Portugal). In the past year, the Portuguese risk premium has reduced significantly, reflecting the growing trust of international investors following the public deficit adjustment seen in the past few years and the country's improved economic outlook. With regard to internal risks affecting the Portuguese economy, political fragmentation could slow or hamper the pace of reform or trigger changes in laws, regulations and policies. Public debt is another source of concern, as it remains very high and restricts the government's room for manoeuvre in the event of future negative shocks. Lastly, while the restructuring of the banking sector is underway, the sector as a whole is still feeling the effect of the large stock of NPLs and reduced profitability.

B.5	**Description of the Issuer's Group and the Issuer's position within the Group**

CaixaBank, SA and its subsidiaries compose the CaixaBank Group (hereinafter "the CaixaBank Group" or "the Group").
CaixaBank is a public limited company (sociedad anónima) whose shares are admitted to trading on the Barcelona, Madrid, Valencia and Bilbao stock exchanges on the continuous market. It has been listed on the IBEX 35 index since 4 February 2008.
CriteriaCaixa, SAU (Criteria or CriteriaCaixa) held a 40% stake in CaixaBank at 31 March 2018 and 31 December 2017, and does not exercise control or significant influence over CaixaBank (See B7 "Prudential deconsolidation of CriteriaCaixa from CaixaBank").
Since 2017, CaixaBank has been the parent company of the financial conglomerate formed by the Group's entities that are considered to be regulated, recognising CaixaBank as a significant supervised entity, whereby CaixaBank comprises, together with the credit institutions of its Group, a significant supervised group of which CaixaBank is the entity at the highest level of prudential consolidation.
At 31 March 2018, the CaixaBank Group comprised 60 subsidiaries (companies over which CaixaBank exercises control, with a direct or indirect stake of more than 50% of voting rights, or a stake of less than 50% but with a majority of voting rights), eight joint ventures and 52 associates (companies over which it exercises significant influence and which are not subsidiaries or joint ventures).
CaixaBank's main investees at 31 March 2018 are as follows:

Banco BPI	84.51%
BFA	40.65%
Banco Comercial e de Investimentos (BCI)	30.15%
Erste Group Bank	9.92%
Repsol	9.46%
Telefónica	5.00%
BuildingCenter	100%
ServiHabitat Servicios Inmobiliarios	49%
Sareb	12.24%
VidaCaixa	100%
SegurCaixa Adeslas	49.92%
Comercia Global Payments	49%

CaixaBank Consumer Finance	100%
CaixaBank Asset Management	100%
Nuevo MicroBank	100%
CaixaBank Payments	100%
CaixaBank Titulización	100%
SILK Aplicaciones	100%
CaixaBank Digital Business	100%
GDS-Cusa	100%

B.6

In so far as is known to the Issuer, the name of any person who, directly or indirectly, has an interest in the Issuer's capital or voting rights which is notifiable under the Issuer's national law, together with the amount of each such person's interest.

Whether the Issuer's major shareholders have different voting rights.

To the extent known to the Issuer, whether the Issuer is directly or indirectly owned or controlled by a third party, and by whom, and the nature of that control.

Name or corporate name of the shareholder	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
LA CAIXA BANKING FOUNDATION (at 9 February 2017)	3,493	2,392,575,212	40.00%
INVESCO LIMITED (at 7 June 2018)	0	120,364,353	2,012%
BLACKROCK, INC (at 16 April 2018)	0	183,647,317	3,429%*

The date of the last communication to the CNMV is stated next to the name of each company.
(*) This percentage could climb to 3.11% if the relevant financial instruments are exercised

Name or corporate name of indirect shareholder	Held through: Name or corporate name of the direct shareholder	Number of voting rights
LA CAIXA BANKING FOUNDATION (at 9 February 2017)	CRITERIA CAIXA, SAU	2,392,575,212
INVESCO LIMITED (at 7 June 2018)	INVESCO ASSET MANAGEMENT LIMITED	116,039,898
INVESCO LIMITED (at 7 June 2018)	PENSION FUNDS AND MUTUAL BENEFIT FUNDS MANAGED BY INVESCO LTD. OTHER ENTITIES - TOTAL STAKE	4,324,455
BLACKROCK, INC (shares, securities lent and contract for difference) – at 16 April 2018	CONTROLLED ENTITIES WHOSE INDIVIDUAL STAKE, IN SHARES AND FINANCIAL INSTRUMENTS, DOES NOT REACH 3%, OR 1% FOR TAX HAVEN RESIDENTS	183,647,317 - shares 20,554,408 - Securities lent and 877,849 - Contract for difference

The date of the last communication to the CNMV is stated next to the name of each company.

CaixaBank's majority shareholder is CriteriaCaixa (40% at 31 March 2018, according to public information available on the CNMV website). Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" Banking Foundation, controls Criteria Caixa, SAU.

At 20 April 2018, according to the official data available, the shares owned directly or indirectly by the current directors account for 0,653% of share capital.

B.7

Selected historical financial information relating to the Issuer

The CaixaBank Group's key management indicators at 31 December 2017, 2016 and 2015 are provided below. The CaixaBank Group's financial information for 2017 is based on audited accounting records. Financial information for 2016 and 2015 is presented for comparison purposes only.

The information taken from the consolidated statement of profit or loss and balance sheet has been prepared in accordance with the regulatory financial reporting framework applicable to the Group, which is set forth in the International Financial Reporting Standards ("IFRS"), as adopted by the European Union through EU Regulations, in accordance with Regulation No 1606/2002 of the European Parliament and of the Council of 19 July 2002, and subsequent amendments. It has also been prepared with due regard to Circular 4/2004 of Bank of Spain, of 22 December ("the Circular"), on Public and Reserved Financial Information Standards and Formats for Credit Institutions, which constitutes the adaptation of the IFRS adopted by the European Union to Spanish credit institutions, and subsequent amendments.
On 7 February 2017, the CaixaBank Group took control of Banco BPI, SA (Banco BPI, or BPI). Since February, the Group's total interest in BPI (84.5%) has been fully consolidated. In prior reporting periods, the financial information on BPI contained in this document is presented using the equity method.

The following table shows the key figures on the Bank's consolidated statement of profit or loss and business activity, and other management information at 31 December 2017, 2016 and 2015 (see section below "Significant changes in the Issuer's financial position during or after the period covered by the historical financial information" which describes the takeover of BPI in February 2017).

€ million	January - December 2017	2016	Year on year %	2015	Year on year %
INCOME STATEMENT					
Net interest income	4.746	4.157	14,2%	4.353	(4,5%)
Gross income	8.222	7.827	5,1%	7.824	0,0%
Pre-impairment income stripping out extraordinary expenses	3.755	3.832	(2,0%)	3.761	1,9%
Pre-impairment income	3.645	3.711	(1,8%)	3.218	15,3%
Profit/(loss) attributable to the Group	1.684	1.047	60,9%	814	28,6%

	December 2017	December 2016	Year on year	December 2015	Year on year
BALANCE SHEET					
Total assets	383.186	347.927	10,1%	344.255	1,1%
Equity	24.683	23.556	4,8%	25.205	(6,5%)
Customer funds	349.458	303.895	15,0%	296.599	2,5%
Loans and advances to customers, gross	223.951	204.857	9,3%	206.437	(0,8%)
EFFICIENCY AND PROFITABILITY (last 12 months)					
Cost-to-income ratio	55,7%	52,6%	3,1	58,9%	(6,3)
Cost-to-income ratio stripping out extraordinary expenses[1]	54,3%	51,0%	3,3	51,9%	(0,9)
ROE	6,9%	4,5%	2,4	3,4%	1,1
ROTE	8,4%	5,6%	2,8	4,3%	1,3
ROA	0,5%	0,3%	0,2	0,2%	0,1
RORWA	1,1%	0,8%	0,3	0,6%	0,2
RISK MANAGEMENT					
Non-performing loans (NPL)	14.305	14.754	(449)	17.100	(2.346)
Non-performing loan ratio	6,0%	6,9%	(0,9)	7,9%	(1,0)
Cost of risk (last 12 months)[2]	0,34%	0,46%	(0,12)	0,73%	(0,27)
Provisions for non-performing loans	7.135	6.880	255	9.512	(2.632)
NPL coverage ratio	50%	47%	3	56%	(9)
Net foreclosed available for sale real estate assets[3]	5.878	6.256	(378)	7.259	(1.003)
Foreclosed available for sale real estate assets coverage ratio	58%	60%	(2)	55%	5
LIQUIDITY					
Total Liquid Assets	72.775	50.408	22.367	62.707	(12.299)
Loan to deposits	108%	111%	(3)	106%	5
Liquidity Coverage Ratio	202%	160%	42	172%	(12)
CAPITAL ADEQUACY[4]					
Fully-loaded Common Equity Tier 1 (CET1)	11,7%	12,4%	(0,7)	11,6%	0,8
Fully-loaded Tier 1	12,3%	12,4%	(0,1)	11,6%	0,8
Fully-loaded total capital	15,7%	15,4%	0,3	14,6%	0,8
Fully-loaded Risk-Weighted Assets (RWAs)	148.626	134.385	14.241	143.575	(9.190)
Fully-loaded leverage ratio	5,3%	5,4%	(0,1)	5,2%	0,2
Common Equity Tier 1 (CET1)	12,7%	13,2%	(0,5)	12,9%	0,3
SHARE INFORMATION					
Share price (€/share)	3,889	3,140	0,749	3,214	(0,074)
Market capitalization	23.248	18.768	4.480	18.702	66
Book value per share (€/share)	4,06	3,94	0,12	4,33	(0,39)
Tangible book value per share (€/share)	3,35	3,26	0,09	3,47	(0,21)
Number of outstanding shares excluding treasury stock (millions)	5.978	5.977	1	5.819	158
Net income attributable per share (€/share) (12 months)	0,28	0,18	0,10	0,14	0,04
Average number of shares excluding treasury stock (millions) (12 months)	5.978	5.842	136	5.820	22
PER (Price/Profit)	14,02	17,52	(3,50)	22,97	(5,45)
Tangible PBV (Market value/ book value of tangible assets)	1,16	0,96	0,20	0,93	0,03
OTHER DATA (units)					
Employees	36.972	32.403	4.569	32.242	161
Branches[4]	5.379	5.027	352	5.211	(184)
of which: CaixaBank retail branches	4.681	4.851	(170)	5.034	(183)
CaixaBank Customers (millions)	13,8	13,8		13,8	

(1) 2017: does not include EUR 110 million in extraordinary expenses associated with BPI. 2016: did not include EUR 121 million in extraordinary expenses in connection with the labour agreement. 2015: did not include EUR 543 million of extraordinary expenses associated with the integration of Barclays Bank, SAU and the labour agreement.
(2) The December 2016 ratio excludes the release of EUR 676 million in provisions carried out in the fourth quarter of 2016.
(3) Exposure in Spain. Net foreclosed real estate assets at BPI amounted to EUR 53 million at 31 December 2017 (EUR 47 million at 31 March 2018).
(4) Does not include branches outside Spain and Portugal or representative offices.

NOTE: The description and calculation of the Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 30 June 2015 (in compliance with ESMA recommendations, specifically with regard to justification and reconciliation with the financial statements), are included in the Appendix to the Management Report to the 2017 Consolidated Financial Statements attached as a reference.

The following table shows the headline figures on the consolidated statement of profit or loss items and relating to CaixaBank's business activity along with other management information for the period from 1 January to 31 March 2018, compared with the statement of profit or loss figures for the same period a year earlier and compared with the same balance sheet figures at the reporting close of the same period a year earlier.

€ million	January - March 2018	January - March 2017	Change
INCOME STATEMENT			
Net interest income	1.203	1.153	4,3%
Net fee and commission income	625	588	6,4%
Gross income	2.262	1.893	19,5%
Recurring administrative expenses, depreciation and amortisation	(1.149)	(1.091)	5,4%
Pre-impairment income stripping out extraordinary expenses	1.113	802	38,7%
Pre-impairment income	1.110	792	40,1%
Profit/(loss) before tax	919	451	104,1%
Profit/(loss) attributable to the Group	704	403	74,7%

	March 2018	December 2017	Change
BALANCE SHEET			
Total assets	384.420	383.186	0,3%
Equity	24.644	24.683	(0,2%)
Customer funds	351.420	349.458	0,6%
Loans and advances to customers, gross	223.249	223.951	(0,3%)
EFFICIENCY AND PROFITABILITY (last 12 months)			
Cost-to-income ratio	53,9%	55,7%	(1,8)
Cost-to-income ratio stripping out extraordinary expenses	52,7%	54,3%	(1,6)
ROE	8,1%	6,9%	1,2
ROTE	9,8%	8,4%	1,4
ROA	0,5%	0,5%	
RORWA	1,3%	1,1%	0,2
RISK MANAGEMENT			
Non-performing loans (NPL)	13.695	14.305	(610)
Non-performing loan ratio	5,8%	6,0%	(0,2)
Cost of risk (last 12 months)	0,29%	0,34%	(0,05)
Provisions for non-performing loans	7.597	7.135	462
NPL coverage ratio	55%	50%	5
Net foreclosed available for sale real estate assets[1]	5.810	5.878	(68)
Foreclosed available for sale real estate assets coverage ratio	58%	58%	
LIQUIDITY			
Total Liquid Assets	73.216	72.775	441
Loan to deposits	107%	108%	(1)
Liquidity Coverage Ratio (last 12 months)	194%	185%	9
CAPITAL ADEQUACY			
Fully-loaded Common Equity Tier 1 (CET1)	11,6%	11,7%	(0,1)
Fully-loaded Tier 1	13,1%	12,3%	0,8
Fully-loaded total capital	16,1%	15,7%	0,4
Fully-loaded Risk-Weighted Assets (RWAs)	148.328	148.626	(298)
Fully-loaded leverage ratio	5,7%	5,3%	0,4
SHARE INFORMATION			
Share price (€/share)	3,872	3,889	(0,017)
Market capitalization	23.150	23.248	(98)
Book value per share (€/share)	4,05	4,06	(0,01)
Tangible book value per share (€/share)	3,34	3,35	(0,01)
Number of outstanding shares excluding treasury stock (millions)	5.979	5.978	1
Net income attributable per share (€/share) (12 months)	0,33	0,28	0,05
Average number of shares excluding treasury stock (millions) (12 months)	5.978	5.978	
PER (Price/Profit)	11,89	14,02	(2,13)
Tangible PBV (Market value/ book value of tangible assets)	1,16	1,16	
OTHER DATA (units)			
Employees	37.107	36.972	135
Branches[2]	5.318	5.379	(61)

(1) Exposure in Spain.
(2) Does not include branches outside Spain and Portugal or representative offices.

NOTES:

- The description and calculation of the Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 30 June 2015 (in compliance with ESMA recommendations, specifically with regard to justification and reconciliation with the financial statements), are included in the Appendix to the Management Report to 2017 Consolidated Financial Statements attached as a reference.
- Solvency: solvency data have improved between 31 December 2017 and 31 March 2018 following the issuance of preference shares convertible into newly-issued CaixaBank shares (Additional Tier 1) in March 2018, for the amount of EUR 1,250 million.

Significant changes in the Issuer's financial position during or after the period covered by the key historical financial information:

- **Changes in the scope of consolidation due to the merger by absorption of Barclays Bank by CaixaBank**, as described in the Significant Event notice published by CaixaBank on 30 March 2015.
- **Agreement to sell the stakes held in Boursorama and Self Trade Bank**, as described in the Significant Event notice published by CaixaBank on 18 June 2015.
- **Share swap with CriteriaCaixa of the stakes in The Bank of East Asia and Grupo Financiero Inbursa in exchange for treasury shares and cash**, as described in the Significant Event notices published by CaixaBank on 3 December 2015 and 31 May 2016.
- **Takeover bid for BPI**, as described in the Significant Event notices published by CaixaBank on 18 April 2016, 21 September 2016,

17 January 2017 and 8 February 2017.

- **Stake in Visa Europe Ltd.**, as described in the Significant Event notice published by CaixaBank on 22 June 2016.
- **Sale of treasury shares to qualified investors**, as described in the Significant Event notice published by CaixaBank on 22 September 2016.
- **Minimum prudential capital requirements set by the European Central Bank and the Bank of Spain**, as described in the Significant Event notices published by CaixaBank on 13 December 2017.
- **Outcome of the stress test coordinated by the European Banking Authority (EBA)**: The EBA launched its 2018 Stress Test in January 2018, targeting all portfolios. This year, CaixaBank will take part directly as parent of the CaixaBank Group for prudential purposes, following the deconsolidation of Criteria in September 2017. The methodology published is similar to that used in 2016 but includes the application of IFRS 9 from 31 December 2017 (proforma). As in previous years, it is a bottom-up exercise, with restrictions and a time horizon of three years, run under two scenarios (baseline and adverse). As in 2016, the outcome provides a key input for the supervisory review and evaluation process (SREP). The results are expected to be published in November 2018.
- **Prudential deconsolidation of CriteriaCaixa from Caixabank** as described in the Significant Event notice published by CaixaBank on 26 September 2017.
- **Issuance of mortgage covered bonds in January 2017 (EUR 1,500 million):** with a 10Y maturity and an annual interest rate of 1.25%.
- **Issuance of subordinated bonds (Tier 2) in February 2017 (EUR 1,000 million),** with an annual rate of 3.50% until 15 February 2022. From that date, it will accrue an annual fixed interest rate equal to the 5-year swap rate (5-year EUR Mid Swap) plus a spread of 3.35%, as described in the Significant Event notice published by CaixaBank on 8 February 2017.
- **Employee restructuring plan**: On 10 January 2017, a paid early retirement scheme was launched for Group employees born between 1 March 1953 and 31 December 1959. A total of 350 people accepted the plan, with the associated impact on the statement of profit or loss amounting to some EUR 152 million. On 19 May 2017 it was announced that under the terms of the agreement reached with the workers' representatives, a total of 610 employees had voluntarily adhered to the employee restructuring plan launched on 12 May 2017 for employees born before 1 January 1962, with the workers in question to leave the company at the end of the second and third quarters of 2017. The approximate impact of this agreement on the statement of profit or loss was EUR 303 million, gross.
- **Issuance of ordinary non-preferred debt (EUR 1,000 million)**: made on 17 May 2017, maturing in seven years, under the "EURO 10,000,000,000 Euro Medium Term Note Programme" approved by the Central Bank of Ireland on 13 June 2016 and admitted for trading on the regulated market of the Irish Stock Exchange. It pays an annual coupon of 1,125%.
- **Issuance of preference shares convertible into newly-issued CaixaBank shares (Additional Tier 1) in June 2017 (EUR 1,000 million):** as described in the Significant Event notice of 1 June 2017. The issuance was made at par and remuneration, which is subject to certain conditions and is also discretionary, was set at 6.75% per year for the first seven years. From then on, it will be revised according to the five-year mid swap rate (5-year EUR Mid Swap Rate) plus 649.8 basis points. Payment of the coupon (where payable) will be quarterly in arrears.
- **Agreement between CaixaBank Asset Management and VidaCaixa on the terms of the depository agreement with Cecabank**, as described in the Significant Event notice published by CaixaBank on 28 June 2017.
- **Issuance of subordinated bonds (Tier 2) in July 2017 (EUR 1,000 million),** with an annual rate of 2.75% until 14 July 2023. From that date, it will accrue an annual fixed interest rate equal to the applicable 5-year mid swap rate (5-year EUR Mid Swap) plus a spread of 2.35%, as described in the Significant Event notice published by CaixaBank on 5 July 2017.
- **Issuance of ordinary non-preferred debt (EUR 1,250 million)**: made on 12 September 2017, maturing in six years, for an amount under the "EURO 10,000,000,000 Euro Medium Term Note Programme" approved by the Central Bank of Ireland on 20 June 2017 and admitted for trading on the regulated market of the Irish Stock Exchange. It pays an annual coupon of 1,125%.
- **Payment of an interim dividend**, as described in the Significant Event notice published by CaixaBank on 23 October 2017.
- **Issuance of preference shares convertible into newly-issued CaixaBank shares (Additional Tier 1) made in March 2018**, **for the amount of EUR 1,250 million**, as described in the Significant Event notice published by CaixaBank on 13 March 2018. The issuance was made at par and remuneration for the preference shares, where payment is subject to conditions and is also discretionary, was set at 5.25% per year for the first eight years. From then on, it will be revised according to the five-year midswap rate (5-year EUR midswap rate) plus 450.4 basis points. Payment of the coupon (where payable) will be quarterly in arrears.
- **Acquisition of shares of Banco BPI** as described in the Significant Event notice published by CaixaBank on 6 May 2018. CaixaBank has purchased more shares on the market for a maximum price of EUR 1.45 per share. At 6 July 2018, it held 94.51% of the share capital of Banco BPI.
- **Agreement to buy 51% of the share capital of Servihabitat Servicios Inmobiliarios, S.L.**, as described in the Significant Event notice published by CaixaBank on 8 June 2018.
- **Impact of the first-time application of IFRS 9** based on data at 31 December 2017, the best estimates of the impacts of IFRS 9 are as follows: (i) an increase in impairment allowances for credit losses of EUR 758 million; (ii) reclassification between financial instrument portfolios with insignificant exposure; and (iii) a negative impact of EUR 564 million on reserves. Meanwhile, it is estimated that the new standard will have an impact of -15 basis points on the fully-loaded CET1 ratio.
- **Agreement to sell 80% of CaixaBank's real estate business to a company owned by Lone Star Fund X and Lone Star Real Estate Fund V:** On 28 June 2018, CaixaBank arranged to sell 80% of its real estate business to a company owned by Lone Star Fund X and Lone Star Real Estate Fund V. The real estate business to be sold to Lone Star under the arrangement includes mainly the portfolio of available-for-sale real estate assets at 31 October 2017, along with 100% of the share capital of Servihabitat Servicios Inmobiliarios, SL. The gross value of the real estate assets at 31 October 2017 was roughly EUR 12,800 million (with a net carrying amount of approximately EUR 6,700 million).

  Once CaixaBank completes the buyback of 51% of Servihabitat as described, CaixaBank will convey its real estate business to a newco, 80% of which it will then sell to Lone Star while retaining a 20% stake. This 20% stake will be consolidated by CaixaBank using the equity method. Under the arrangement, the entire real estate business has been initially valued at around EUR 7,000 million. The selling price for 80% of the company will be equivalent to 80% of the final value assigned to the real estate business at the date of completion. This price will largely depend on the number of real estate assets that remain with the company at that date. Under the deal, Servihabitat will continue to service the real estate assets of the CaixaBank Group for a five-year term under a new agreement that will allow CaixaBank to become more flexible and efficient, including the cost reductions and savings announced on 8 June 2018 in relation to the repurchase of 51% of Servihabitat. Completion of the deal will mark the deconsolidation of the real estate business, which is estimated at the date of this report to have a neutral impact on the statement of profit or loss, and a positive impact of 30 basis points on the fully-loaded CET1 ratio. The combined impact of the transaction and buy back of 51% of Servihabitat on the fully-loaded CET1 ratio is estimated to be +15 basis points. The arrangement is also expected to generate cost savings of some EUR 550 million before tax over the following three years (2019-2021), including the new servicing agreement with Servihabitat.

B.8	**Selected pro-forma financial information** Not applicable, as there is not pro-forma information in the Registration Document.
B.9	**Profit forecasts or estimates** Not applicable. The Issuer has opted not to make profit forecasts.
B.10	**Qualifications in the audit report with respect to historical financial information** Not applicable. The audit reports for the Issuer's individual and consolidated financial statements for 2017, 2016 and 2015 were published with no disclaimers or qualifications.
B.17	**Issuer's credit rating** At 11 July 2018, CaixaBank has been assigned the following credit ratings by the three main rating agencies are as follows:

Agency	Review date	Short-term rating	Long-term rating	Outlook
Standard & Poor's Credit Market Services Europe Limited	06/04/2018	A-2	BBB+	Stable
Moody's Investors Services España, SA.	17/04/2018	P-2	Baa2	Positive
Fitch Ratings España, SAU.	03/07//2018	F2	BBB	Positive
DBRS Ratings Limited	12/04/2018	R-1 (low)	A	Stable

Credit rating agencies are registered with the European Securities and Markets Authority (ESMA) pursuant to Regulation (EC) 1060/2009 of the European Parliament and of the Council, of 16 September 2009, on credit rating agencies.

Section C – Securities

C.1 **Type and class of the securities offered** *(the individual issuance summary should contain applicable data only)*

Senior bonds and notes [Ordinary / Non preference]: securities representing non-subordinated debt for the Issuer, bearing interest and repayable through early redemption or on maturity. They have no collateral nor third-party guarantees, and the principal and interest of the securities are backed by all the Issuer's assets. The securities to be issued under this Base Prospectus may be ordinary senior bonds or notes and non-preference senior bonds or notes. In accordance with prevailing legislation, non-preference senior bonds and notes must meet the following conditions:

(i) They must have a maturity of one year or more;
(ii) They may not be derivative financial instruments nor have embedded derivative financial instruments; and
(iii) The terms and conditions, or where applicable, the issuance prospectus, must contain a clause establishing a lower priority of payment than all other ordinary credits, and they will therefore be repaid after all other ordinary credits.

Non-preference senior bonds and notes (and ordinary senior bonds and notes, when specified in the Final Terms), will be issued in order to meet the minimum requirements for own funds and eligible liabilities ("MREL") of CaixaBank and its Group, according to regulatory requirements at all times.
In the Final Terms, it will also be specified whether the securities are ordinary senior bonds and notes or non-preference senior bonds and notes.

Subordinated bonds and notes: securities representing subordinated debt for the Issuer, bearing interest and repayable through early redemption or on maturity, with the prior approval of the supervisor. They have no collateral nor third-party guarantees, and the principal and interest of the securities are backed by all the Issuer's assets. The instruments to be issued under this Base Prospectus may be (a) subordinated bonds and notes, or (b) Tier 2 subordinated bonds and notes ("Tier 2").
The subordinated bonds and notes will be issued in order to meet the minimum requirements for own funds and eligible liabilities ("MREL") of CaixaBank and its Group, according to regulatory requirements at all times. The issuances of Tier 2 subordinated bonds and notes will be made in accordance with the provisions of article 63 of Regulation 573/2013 and/or any other applicable regulation so that they may be used to meet the Tier 2 capital requirements of the Issuer and/or its group.

Mortgage covered bonds: securities that represent debt for the Issuer, bearing interest and repayable through early redemption or on maturity, that are guaranteed by the loan portfolio of the issuing entity backed by mortgage loans not subject to bond issues and/or mortgage participations, in accordance with prevailing legislation, and by the substitution assets and economic flows generated by the derivative financial instruments linked to each issuance, where these exist.

Mortgage bonds: securities that represent debt for the Issuer, bearing interest and repayable through early redemption or on maturity, that are guaranteed by a specific loan portfolio of the issuing entity backed by mortgage loans, in accordance with prevailing legislation, and by the substitution assets and economic flows generated by the derivative financial instruments linked to each issuance, where these exist.

Public sector covered bonds: securities that represent debt for the Issuer, bearing interest and repayable through early redemption or on maturity, that are guaranteed by the issuing entity's portfolio of loans and credits extended to the central government, autonomous regions, local government bodies, autonomous government bodies and dependent public entities, or other similar entities in the European Economic Area, in accordance with prevailing legislation.

Structured bonds and notes: securities bearing a yield that is linked to performance of one or more underlyings (shares, indexes, commodities, currencies, certificates, futures, CISs, etc.). On the basis of this performance, the securities may be redeemed at par, for a greater amount or for a lesser amount and, therefore, may give rise to negative yields, and there is even the possibility of receiving a number of units of the underlying asset instead of the nominal amount invested. Structured bonds and notes have a complex structure, which in many cases involves trading in derivatives. Trading in derivatives requires the appropriate technical knowledge.

ISIN code: [ ] *(complete according to the Final Terms)*

	Form of the securities: book entries Fungibility: The securities issued may be considered fungible with other previous issuances of securities of the same nature *(complete according to the Final Terms)*
C.2	**Currency of the securities issuance** The issuance currency is: *(complete according to the "Final Terms")*
C.3	**Number of shares issued and paid up and issued but not fully paid up. Indicate the face value per share, or the shares that have no face value**. At 30 June 2018, CaixaBank's share capital stands at EUR 5,981,438,031, represented by 5,981,438,031 shares, each having a face value of EUR 1, all belonging to the same class and series, all conferring the same voting and dividend rights, and all represented in book-entry form.
C.5	**Restrictions on the free transferability of the securities** There are no restrictions on the free transferability of the securities, without prejudice to any limitations that may exist under the legislation of the respective countries in which the securities are offered.
C.7	**Description of the dividend policy** As per the terms of the Significant Event published on 22 February 2018, the Board of Directors, at a meeting held on that same date, agreed to lay a motion before the Ordinary Annual General Meeting proposing the distribution of an extra cash dividend of EUR 0.08, gross, per share out of 2017 profit. The Ordinary Annual General Meeting was held on 6 April 2018 and ratified the proposal submitted by the Board. The dividend was paid on 13 April 2018. Following payment of the dividend, the total shareholder remuneration for 2017 amounted to EUR 0.15 per share (gross) and the total cash amount paid was equal to 53% of consolidated net profit, in line with the 2015-2018 Strategic Plan. Shareholder remuneration for 2017 therefore took the form of two cash payments of EUR 0.07 and EUR 0.08 per share, gross, the first of which was paid in November 2017 and the second in April 2018. Cash dividends are payable on a half-yearly basis under the terms of the dividend policy approved by the Board of Directors at a meeting held on 23 February 2017 and published also as a Significant Event notice on that same date. The dividend yield for 2017 (EUR 0.15/share) based on the share price at the end of the period was 3.9%. As per the terms of the current dividend policy and as stated in the Significant Event notice published on 22 February 2018, shareholder remuneration for 2018 will take the form of two cash dividends, payable half-yearly in April and November. In line with the 2015-2018 Strategic Plan, CaixaBank has reiterated its intention of remunerating shareholders by distributing an amount in cash equal to or greater than 50% of consolidated net profit.
C.8	**Description of the rights attached to the securities and priority of payment** Under prevailing legislation, the securities issued as part of this Base Prospectus do not carry present and/or future voting rights in CaixaBank for investors that acquire them. For investors that acquire and hold the securities, the rights attached to the securities are those arising from he terms and conditions of the issuance as regards interest rates, yields and redemption prices, summarised in Section C.9 below. The securities issued under this Base Prospectus are not covered by the Deposit Guarantee Fund. [In the issuances of bonds and notes (and mortgage bonds, mortgage covered bonds and public sector covered bonds where expressly agreed): a syndicate of bondholders of [name of the issuance] has been created. The holders of the securities in this issuance will be entitled to vote at the Bondholders Assembly in accordance with the provisions of the syndicate of bondholders' by-laws.] *If there are any limitations on the rights mentioned above, this will be disclosed in the Final Terms of the issuance concerned*. Priority of payment and subordination of investors in the event of insolvency situations affecting CaixaBank: *(the individual issuance summary should only contain data applicable to the securities issued)* • **Ordinary senior bonds and notes and structured bonds and notes** are ranked: (i) junior to preferential credits (which would include mortgage covered bonds, public sector covered bond and mortgage bonds), (ii) pari passu to other non-preference ordinary credits in accordance with Royal Decree Law 11/2017, of 23 June, on urgent financial measures, amending Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies ("Royal Decree Law 11/2017"); (iii) senior to ordinary non-preference credits in accordance with Royal Decree Law 11/2017 on subordinated loans, whether or not they are Tier 2 capital, Tier 1 capital or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other instruments that rank junior to ordinary senior bonds and notes and structured bonds and notes • Pursuant to Royal Decree Law 11/2017, non-preference bonds and notes are ranked: (i) junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary preference credits in accordance with Royal Decree Law 11/2017, i.e. other ordinary credits specified in article 89.3 of the Insolvency Act 22/2003, of 9 July (the "Insolvency Act"), including ordinary senior bonds and notes and structured bonds and notes, (ii) pari passu to other ordinary non-preference credits pursuant to Royal Decree Law 11/2017; (iii) senior to subordinated credits, whether or not they are Tier 2 capital instruments, Tier 1 capital or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "Cocos") and any other instruments junior to non-preference senior bonds and notes. • Pursuant to the Insolvency Act and Additional Provision Fourteen of Act 11/2015, if the Issuer declares insolvency: (A) **Subordinated bonds and notes** are ranked: (i) junior to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits (the latter are considered non-preferential credits under Royal Decree Law 11/2017), and any other credits that by law and/or their own terms and conditions, where permitted by law, rank senior; (ii) pari passu to the Issuer's different issuances of subordinated bonds and notes, and contractually subordinated bonds that do not form part of its additional Tier 1 capital or Tier 2 capital; and (iii) senior to securities considered to be Tier 2 capital instruments (which would include Tier 2 subordinated bonds and notes), those with the consideration of Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or *"Cocos"*) and any other subordinated credits that rank junior to subordinated bonds and notes. (B) Tier 2 **subordinated bonds and notes,** when they have the consideration of Tier 2 capital instruments, are ranked:

	(i) <u>junior</u> to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) or ordinary credits (whether or not these are considered to be preference credits under Royal Decree Law 11/2017), subordinated credits that are not additional Tier 1 capital instruments or Tier 2 capital instruments (including subordinated bonds and notes), and any other subordinated credits which by law and/or their terms and conditions, and to the extent permitted by law, rank senior to Tier 2 subordinated bonds and notes; (ii) <u>pari passu</u> to any other of the Tier 2 capital instruments of the Issuer and other subordinated securities that by law and/or under their own terms, and to the extent permitted by law, rank pari passu to Tier 2 subordinated bonds and notes; and (iii) <u>senior to</u> Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or "Cocos"), and any other credits that by law and/or their own terms, and to the extent permitted by law, rank junior to Tier 2 subordinated bonds and notes. Without prejudice to the above, in the event that Tier 2 subordinated bonds and notes are no longer considered to be Tier 2 capital instruments of the Issuer, the priority of payment of Tier 2 subordinated bonds and notes would be the same as that described for subordinated bonds and notes in point (A) above. • Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, mortgage covered bonds confer on their holders the status of special preferential creditors, as described in article 1923.3 of the Civil Code, vis-a-vis any other creditors, for all credits and loans secured by real estate mortgages registered in favour of CaixaBank, with the exception of those used to secure mortgage bonds or participations, and those relating to substitution assets and economic flows generated by any derivative financial instruments associated with the issuance. In the event of insolvency, holders of mortgage covered bonds will be classed as special preferential creditors with regard to the Issuer's mortgage loans in accordance with article 90.1.1 of the Insolvency Act and no order of preference will be conferred, regardless of the date of issuance. • Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, mortgage bonds will include credit rights for holders vis-a-vis the Issuer and entail execution to claim payment from the Issuer after they mature. The holders of these mortgage bonds will be considered special preferential creditors, as stipulated in article 1923.3 of the Civil Code, vis-a-vis any other creditor, in relation to the mortgage loans and credits executed in public deed, substitution assets and economic flows generated by any derivative financial instruments associated with the issuance. Holders of mortgage bonds in an issuance will have seniority over holders of mortgage covered bonds when claiming for a loan or credit included in the issuance. • Pursuant to article 33 of Act 14/2013, of 27 September, on support for entrepreneurs and internationalisation, holders of public sector covered bonds will have preferred rights over CaixaBank's credit vis-a-vis public administrations, which do not guarantee issuances of internationalisation covered bonds under article 34 of this Law, with regard to the collection rights deriving from their ownership of these securities, in accordance with article 1,922 of the Civil Code. Such ownership will confer executive status under the terms set down in the Civil Procedure Act. In the event of insolvency, holders of public sector covered bonds will be classed as special preferential creditors with regard to claims on the Issuer's credit vis-a-vis public entities in accordance with article 90.1.1 of the Insolvency Act.
C.9	**Issue date of the securities, interest rate, redemption and representative of the holders of the securities issued** • Issue/Disbursement date: *(complete as established in the Final Terms)* • Disclosures relating to interest rates: *(include the information set down in sections 7, 8, 9, 10 and 11 of the Final Terms, as applicable to the specific issuance)* • Disclosures relating to early redemption or automatic cancellation: (*include only if there are early redemption options and/or automatic cancellation structures. In this case, include the items applicable set down in section 12 of the Final Terms)* • Disclosures relating to final redemption: *(include the items applicable set down in section 13 of the Final Terms)* • Relevant calendar for the payment of flows stipulated in the issuance: • Effective interest rate for the subscriber: [ ] *(complete as established in the Final Terms)* • Form of the holders: a syndicate of bond/note/covered bond holders has been formed *(delete as applicable, according to the Final Terms)* for this issuance and [ ] has been appointed Representative *(complete as specified in the Final Terms).* No syndicate of bond/note/covered bond holders has been formed for this issuance *(delete if the Final Terms stipulate the formation of a syndicate for the specific issuance of mortgage covered bonds, mortgage bonds or public sector covered bonds)*.
C.10	**Derivative instruments** [Not applicable, as the securities do not have a derivative component for interest payments] As the return of the securities is linked to an underlying, it cannot be determined in advance and so investors cannot know the return of the investment in advance (*applies only when the yield is linked to underlying and the instruments are not structured securities)* See section C.9 above for further details *(applies only when the yield is linked to underlying and the instruments are not structured securities).* See section C.15 below *(applies only to structured securities)*
C.11	**Admission to trading** An application will be filed for the listing of the securities in this issuance for trading on [AIAF, Fixed Income Market / the Electronic Debt Trading Platform (SEND) of AIAF / other] *(delete as appropriate)*. The Issuer will undertake to ensure that the securities are trading on this market within [ ] from the Disbursement Date.
C.15	**Description of how the investment value is affected by the value of the underlying instrument or instruments** Not applicable (*where the Final Terms do not refer to structured securities)* Structured securities are high risk instruments as they may have complex structures and the yield they offer is linked to the performance of one or more underlyings during the life of the investment. On the basis of this performance, the securities may be redeemed at par, for a greater amount or for a lesser amount and, therefore, may result in the loss of all or part of the amount invested. Investors will not be able to know the yield on their investment in advance. The possibility that the redemption price on the early redemption or maturity date will be lower than the nominal amount will depend on the type and performance of the underlying asset, [the existence of capital barriers for the recovery of the initial investment or the possibility of capping losses on the nominal amount *(delete if the Final Terms do not include capital barriers)*], [the existence of early redemption barriers *(delete if the Final Terms do not include early redemption barriers)*], the maturity date and final settlement. The coupon received by the investor will also depend mainly on the type and performance of the underlying asset [and the existence of coupon barriers that condition whether or not the coupon is collected *(delete if the Final Terms do not include coupon barriers)*].

	See section C.9 above for further details *(applies only to structured securities)*
C.16	**Maturity or expiration date of derivative securities** Not applicable (*where the Final Terms do not refer to structured securities)* See section C.9 above (*when the Final Terms refer to structured securities)*
C.17	**Description of the settlement of derivative securities** Not applicable (*where the Final Terms do not refer to structured securities)* The securities will be settled in cash *(where the Final Terms refer to structured securities and the physical delivery of the underlying asset is not permitted)* The securities may be settled in cash or a specified number of the units of the underlying asset may be delivered to the investor in place of all or part of the nominal amount invested *(where the Final Terms refer to structured securities and the physical delivery of the underlying asset is permitted).* See section C.9 above (*where the Final Terms refer to structured securities)*
C.18	**Description of payment of derivative securities** Not applicable (*where the Final Terms do not refer to structured securities)* • Payment of the securities: [ ] *(complete as established in the Final Terms)*
C.19	**Final reference price of the underlying** Not applicable (*where the Final Terms do not refer to structured securities)* See section C.9 above (*where the Final Terms refer to structured securities)*
C.20	**Description of the type of underlying and where information on the underlying can be found** Not applicable (*where the Final Terms do not refer to structured securities)* • Type of underlying: [ ] *(complete as established in the Final Terms)* • Names of the underlyings: [ ] *(complete as established in the Final Terms)* • Place where can information on the underlying can be found: *(complete as established in the Final Terms)* • See section C.9 above (*where the Final Terms refer to structured securities)*

Section D - Risks

D.1 Key information on the main risks affecting the Issuer or its sector

The risk factors relating to the Issuer described in the section "Risk Factors" of the Registration Document of CaixaBank, filed with the CNMV on 12 July 2018, are summarised below.

1. **RISKS AFFECTING THE ENTITY'S FINANCIAL ACTIVITY**

- *Credit risk*:
  Credit risk refers to the risk of losses from a borrower failing to meet one of its obligations. Credit risk is the most significant risk item in the CaixaBank Group's balance sheet and arises from the banking and insurance business, treasury operations and long-term equity investments in financial entities and sector leaders.

  Non-performing loans and risk management:
  Headline risk management figures at 31 March 2018, 31 December 2017, 31 December 2016 and 31 December 2015 are provided below:

Risk management

million euros and %

	2018	2017	2016	2015
Loans and advances to customers, gross, under management criteria	223,249	223,951	204,857	206,437
Non-performing	13,695	14,305	14,754	17,100
Written off	16,078	15,823	15,457	14,604
NPL ratio[1]	5.80%	6.00%	6.90%	7.90%
Cost of risk[2]	0.29%	0.34%	0.46%	0.73%
Loan-loss provisions	7,597	7,135	6,880	9,512
NPL coverage ratio	55%	50%	47%	56%
Net foreclosed real estate assets held for sale	5,810	5,878	6,256	7,259
Gross foreclosed real estate assets held for sale	11,590	11,689	12,551	12,817
Coverage ratio for foreclosed real estate assets available for sale	58%	58%	60%	55%

(1) Includes contingent liabilities

(2) Total allowance for insolvency risk (12 months) divided by average loans and advances to customers, gross, plus contingent liabilities, based on management criteria.

Exposure to the real estate sector:

Loans to real estate developers at 31 March 2018 amounted to EUR 6,980 million (EUR 7,101 million at 31 December 2017). Coverage for non-performing developer loans stands at 50% at 31 March 2018 (44% at 31 December 2017).
Available-for-sale foreclosed assets totalled EUR 5,810 million at 31 March 2018 (31 December 2017: EUR -68 million).

Meanwhile, CaixaBank's foreclosed real estate assets held for rent (recognised for accounting purposes as investment properties) amounted to EUR 3,030 million, net of provisions, at 31 March 2018 and 31 December 2017. The rental property portfolio has an occupancy ratio of 88%. In the first quarter of 2018, total properties rented or sold generated income of EUR 306 million.

Non-productive assets:

Gross non-productive assets, meaning non-performing loans and available-for-sale foreclosed real estate assets, amounted to EUR 25,285 million at 31 March 2018 (EUR 13,695 million in NPLs and EUR 11,590 million in available-for-sale foreclosed real estate assets, of which EUR 3,680 million relate to land). The aggregate coverage ratio (including accounting provisions and write-downs) stands at 57%.

Total gross non-productive assets amounted to EUR 25,994 million at 31 December 2017 (EUR 14,305 million in NPLs and EUR 11,689 million in available-for-sale foreclosed real estate assets, of which EUR 3,722 million related to land). The aggregate coverage ratio (including accounting provisions and write-downs) was 54%.

Refinancing:

Refinancing transactions arise where the customer has, or will foreseeably have, financial difficulty in honouring its payment obligations under the contractually agreed terms, causing the contract to be modified or cancelled and/or a new transaction arranged.

The Group has a detailed customer debt refinancing policy, which complies with Circular 4/2016 with regard to the treatment and classification of refinancing and restructuring transactions, and contains the same general principles issued by the European Banking Authority for this type of operation.

At 31 March 2018, refinanced transactions totalled EUR 12,030 million. Of this amount, EUR 7,552 million (63% of the portfolio) is classified as non-performing. Allowances associated with these loans total EUR 3,054 million.

At 31 December 2017, refinanced transactions totalled EUR 12,371 million. Of this amount, EUR 7,859 million (63% of the portfolio) was classified as non-performing. Allowances associated with these loans totalled EUR 2,644 million.

The business combination with Banco BPI in 2017 saw a net increase in total refinancing transactions of EUR 1,089 million.

Sovereign risk:

The possibility of incurring losses due to significant exposures or a high concentration of credit risk in certain countries.

The following table shows the carrying amount of significant sovereign risk exposures at 31 December 2017. The figures are broken down to distinguish between positions held directly by CaixaBank and positions held by the insurance group, the largest entity of which is VidaCaixa, SA de Seguros y Reaseguros:

31.12.2017 (CaixaBank + insurance group)

(Thousands of euros) Country	Financial assets held for trading - debt securities	Financial liabilities held for trading - short positions	Available-for-sale financial assets	Loans and receivables	Held-to-maturity investments
Spain	705,660	-638,923	12,380,925	10,725,431	9,696,923
Italy	124,255	-30,678	1,396,882	0	0
Portugal	92,686	-58,943	3,311,463	1,054,050	0
Other countries	0	-10,089	693	309,591	0
Total CaixaBank	**922,601**	**-738,633**	**17,089,963**	**12,089,072**	**9,696,923**
Total Insurance group	**951,977**	**0**	**46,117,385**	**0**	**0**
Total CaixaBank + Insurance group)	**1,874,578**	**-738,633**	**63,207,348**	**12,089,072**	**9,696,923**

Risk associated with the investee portfolio:

The risk relating to the CaixaBank Group's investee portfolio is the risk associated with the possibility of incurring losses due to changes in market prices and/or the bankruptcy of companies included in the investee portfolio on a medium-to-long-term horizon.

At 31 December 2017, impairment allowances for investments in associates and joint ventures totalled EUR 13 million (EUR 551 million at 31 December 2016). On 7 February 2017, CaixaBank gained control over the Portuguese bank, BPI, resulting in the reclassification of that investment from associate to Group company.

Concentration risk:

In the CaixaBank Group's Corporate Risk Catalogue, concentration risk is conceptually included within the area of credit risk. However, according to supervisors, the scope of analysis and monitoring of concentration risk should be broader, including all types of asset. Risk concentration by geographic area is as follows:

31.12.2017

(Millions of euros)	Total	Spain	Rest of the European Union	Americas	Rest of the world
Concentration risk	356,823	286,045	62,187	4,835	3,756
% concentration		80 %	18%	1%	1%

- *Market risk:*

Market risk refers to the potential loss of profitability or portfolio value as a result of adverse fluctuations in market rates or prices.

Interest rate risk in the banking book:

Interest rate risk is inherent to all banking activity. It arises when changes in the structure of market interest rates affect balance sheet assets and liabilities with different maturities and benchmark indexes, resulting in their renewal or contraction at rates different from previous rates, with an effect on their economic value and on net interest income.

Interest rate risk in the banking book is subject to specific control and includes various risk measures, such as analysis of the sensitivity to interest rates of net interest income and the economic value of the balance sheet, and VaR (*Value at Risk*) measurements.

The sensitivity of net interest income shows the impact on the review of balance sheet transactions caused by changes in the interest rate curve. The one-year sensitivity of net interest income to sensitive balance sheet assets and liabilities, taking account of scenarios of rising and falling interest rates of 100 basis points each, is approximately +7.88% on the rising scenario and -1.55% on the falling scenario.

The sensitivity of equity to interest rates measures the effect of interest rate fluctuations on economic value. The one-year sensitivity of equity to sensitive balance sheet assets and liabilities, taking account of scenarios of rising and falling interest rates of 100 basis points each, is approximately +3.48% on the rising scenario and -1.36% on the falling scenario, compared to the economic value in the baseline scenario.

Given the current level of interest rates, it should be noted that the scenario of a -100 bp fall does not imply the application of negative interest rates.

Exchange rate risk in the banking book:

The risk generated basically by potential fluctuations in the value of assets and liabilities held in foreign currency. This risk is managed through market hedging of the risks assumed, applying the principle of minimising the assumed currency risks, which explains why the exposure of the CaixaBank Group to this risk is low or virtually nil.

- *Liquidity risk:*

The risk that due to differences in maturities of assets and liabilities, the Group is unable to meet its payment obligations at a reasonable price or does not have a stable financing structure in place to support its future business plans.

The Group's banking liquidity, as shown by its high quality liquid assets (HQLA) used to calculate the LCR (liquidity coverage ratio) in addition to the balance that can be drawn on the credit facility with the ECB that does not comprise the liquid assets, amounted to EUR 73,216 million and EUR 72,775 million at 31 March 2018 and 31 December 2017, respectively.

Since 1 January 2018, CaixaBank has fully met the minimum LCR ratio requirement, which means ensuring that an adequate level of high-quality liquid assets (HQLA) remains available to meet liquidity needs for a 30 calendar day stress scenario which considers a combined financial sector-wide and entity-specific crisis. Key figures for the CaixaBank Group in relation to this ratio are as follows:

For the NSFR *(Net Stable Funding Ratio),* the large weight of customer deposits within CaixaBank's funding structure (that are more stable) and the Group's limited reliance on wholesale markets for short-term funding has allowed it to maintain a well-balanced funding structure. The NSFR ratio remained above 100% in 2017, even though this is not required until January 2018.

As part of this approach to managing liquidity risk and to allow it to anticipate potential needs for lendable funds, CaixaBank has various mechanisms in place to afford it access to the market and expedite the financing process.

Financing obtained from the European Central Bank through various monetary policy instruments was EUR 28,820 million at 31 March 2018 and 31 December 2017. The amount at 31 March 2018 relates to the extraordinary liquidity auctions, known as TLTRO I maturing in 2018 (EUR 637 million), and the remainder to the TLTRO II extraordinary liquidity auctions (EUR 28,183 million) maturing in 2020 (balance of EUR 24,729 million in June and EUR 2,500 million in December) and in 2021 (balance of EUR 954 million in March).

- *Actuarial risk:*

Actuarial risk is the risk associated with the various insurance business arms and types. Risk relating to the insurance business is managed in accordance with Spanish insurance law and regulations, specifically Act 20/2015, of 14 July, on the regulation, supervision and solvency of insurance and reinsurance entities ("LOSSEAR" for its initials in Spanish) and Royal Decree Law 1060/2015, of 20 November, on the regulation, supervision and solvency of insurance and reinsurance entities ("ROSSEAR" for its initials in Spanish) and other rules and regulations emanating from the Directorate General of Insurance and Pension Funds ("DGSFP" for its initials in Spanish).

The insurance business is exposed to subscription or actuarial risk. According to the EC Solvency II Directive, underwriting or actuarial risk reflects the risk of underwriting life and non-life insurance contracts, attending to claims covered and the processes deployed in the exercise of this activity. It can be further broken down into mortality risk, longevity risk, disability risk and morbidity risk and the risk of falls, expenditure and catastrophe. This stable, long-term management is reflected in the Group's actuarial risk management policies.

Solvency II brings a transformation of the decision-making and risk management model for insurance companies, which the Group has adhered to following the implementation process developed over the past few years.

- *Risk of impairment of other assets*:

The risk associated with a reduction in the carrying amount of the shareholdings and non-financial assets (tangible, intangible, deferred tax assets (DTAs) and other assets) of the CaixaBank Group.

DTAs totalled EUR 10,254 million at 31 December 2017. The Group assesses the recoverable amount of all recognised deferred tax assets every six months. To do so, it has developed a dynamic model that analyses the recoverability of the tax assets recognised for accounting purposes and those generated in subsequent periods up to the date covered by the model. The model uses the following as the most relevant estimates:

a) The forecast profit or loss for each year covered by the model. The estimates are consistent with the various reports used by the Entity for internal management and for supervisory information, including certain details regarding the composition thereof, and,
b) The reversible nature of the main tax assets recognised on the balance sheet.

The Group considers the information used in the model to be relevant and strategic.

- *Equity position risk:*

Solvency risk arises when the CaixaBank Group encounters difficulties in bringing its level of equity in line with regulatory requirements or in changing its risk profile.

The Group's ability to operate and its business strategy are affected by its ability to effectively manage capital. In this regard, management of the Bank's capital is heavily shaped by the prevailing legislative framework.

In general, the banking sector mainly uses regulatory capital (increasingly during the financial crisis of the past few years) as this is the metric required by regulators and that which investors and analysts can use to compare financial entities.

Since 1 January 2014, the capital adequacy of financial corporations has been regulated by Regulation (EU) 575/2013 (CRR) and

Directive 2013/36/EU of the European Parliament and of the Council, (CRD IV), both dated 26 June 2013, which implement the Basel CRD regulatory framework (BIS III) in the European Union, and by national laws and Bank of Spain circulars implementing and developing these regulations in Spain. On 23 November 2016, the European Commission published proposed amendments to the CRR and CRD IV, among others.
Additionally, following the transposition of European legislation, the Basel Committee and other relevant bodies have published a series of additional rules and documents containing new specifications on how to calculate capital. This means that procedures are constantly being updated, and therefore CaixaBank continuously adapts its processes and systems to ensure the calculation of the capital charge, calculation of own funds and direct deductions from capital are fully aligned with the new established requirements.
In the fourth quarter of 2017, CaixaBank received the updated decision of the Bank of Spain in relation to the capital buffer required of it due to its status as an Other Systemically Significant Institution (O-SII). This buffer remains unchanged at 0.25%. The buffer is to be phased in over four years, commencing 1 January 2016, meaning that in 2018 it will apply a requirement of 0,1875% in terms of regulatory capital adequacy.
In the fourth quarter of 2017, the European Central Bank (ECB) handed CaixaBank the minimum regulatory capital requirements after analysing the results of the supervisory review and evaluation process (SREP), requiring the CaixaBank Group to maintain a regulatory Common Equity Tier 1 (CET1) ratio of 8,063% in 2018, which includes: the minimum Pillar 1 requirement (4.5%); the ECB Pillar 2R requirement (1.5%); the capital conservation buffer (1,875%); and the O-SII buffer (0,1875%). The countercyclical buffer has been 0% since its entry into force for exposures located in Spain and Portugal (this buffer is reviewed quarterly by the national authorities). On a fully-loaded basis, the minimum CET1 requirement would therefore be 8.75%. Similarly, and based on the Pillar 1 requirements of 6% and 8%, the minimum Tier 1 and Total Capital requirements would be 9,563% and 11,563%, respectively, in regulatory terms, and 10.25% and 12.25% fully-loaded, respectively.
The ECB's decision means that the regulatory CET1 level below which the CaixaBank Group would be obliged in 2018 to limit distributions in the form of dividends, variable remuneration and interest payments to holders of additional Tier 1 capital instruments - commonly referred to as the maximum distributable amount (MDA) trigger - would be 8,063%, to which potential shortfalls in Tier 1 or Tier 2 capital would eventually have to be added, compared to the implied Pillar 1 minimums of 1.5% and 2%, respectively (CaixaBank currently has a Tier 1 and Tier 2 capital surplus above and beyond those implied minimum levels).

Millions of euros	March 2018	December 2017	December 2016	Change Mar18-Dec17
Common Equity Tier 1 (CET1)	17,520	18,966	17,789	-1,446
Tier 1	19,751	19,074	17,789	677
Total Capital	24,223	24,047	21,792	176
CET1 Ratio	11.8%	12.7%	13.2%	-0.94%
Tier 1 ratio	13.3%	12.8%	13.2%	0.49%
Total Capital ratio	16.3%	16.1%	16.2%	0.17%
MDA buffer (*)	5,549	5,856	5,243	-307
MDA buffer on RWAs	3.74%	3.93%	3.89%	-0.19%
Risk-weighted assets (RWA)	148,472	148,940	134,864	-468
Leverage ratio	5.8%	5.5%	5.7%	0.27%
CET1 ratio (fully loaded)	11.6%	11.7%	12.4%	-0.08%

(*) The MDA buffer (difference between regulatory CET1 and CET1 capital requirements under Pillar 1 (4.5%) + CET1 capital requirements under Pillar 2 (currently 1.5%) + capital buffers (currently 2.75%) + possible shortfalls of AT1 and T2 vs minimum requirements) applied is the lower of the individual and consolidated figures. NOTE: percentages based on RWAs.

In addition to the regulations governing the capital adequacy of financial institutions, in 2014 Directive 2014/59/EU - otherwise known as the BRRD (Bank Recovery and Resolution Directive) - was approved, establishing a framework for the restructuring and resolution of credit institutions. The BRRD, together with Directive 2014/49, on the Deposit Guarantee System, enhances the capacity of the banking sector to absorb the impact of economic and financial crises, and the capacity of entities to wind up their business in an orderly fashion, while maintaining financial stability, protecting depositors and avoiding the need for public bail-outs. The BRRD ushers in the Single Resolution Mechanism (SRM) and both the BRRD and Royal Decree 1012/2015, implementing Act 11 of 18 June, on the recovery and resolution of credit institutions and investment firms ("Act 11/2015") require banks to maintain, at all times, an adequate level of own funds and eligible liabilities (from among those eligible for bail-in purposes), known as the minimum requirement for own funds and eligible liabilities ("MREL"). The aim is for this minimum amount to be commensurate with each category of bank, based on its risks and the composition or structure of its sources of funding. The MREL requirement took effect on 1 January 2016. Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities was approved to provide resolution authorities with detailed guidance on establishing MREL requirements for banks, granting them discretionary powers to set the right minimum level and composition of MREL for each bank. The resolution authority has still not announced the formal requirements and therefore, details of the quantity and category of eligible liabilities and calendar for compliance are not available.
The BRRD has also been under review since 23 November 2016. This package of reforms to the solvency framework (CRR and CRD IV) and to the BRRD, among others, which was announced in 2016, will be laid before the European Parliament and the Council for their scrutiny and possible adoption. The objective of these reforms is to supplement the current prudential and resolution framework for the banking sector through a series of measures to reduce the risks to entities in the event of shocks, in accordance with the conclusions of the ECOFIN meeting in June 2016 and G-20 international standards. The reform package envisages a harmonised framework for calculating minimum own funds and eligible liabilities for certain debt instruments that meet a set of requirements, proposing the creation of a new class of simple or ordinary non-preferred debt that would come first in a bail-in ahead of other simple or ordinary debt. In Spain, this new category (known as non-preferred senior debt) has been introduced by Royal Decree Law 11/2017, of

23 June, on urgent financial measures and amending Act 11/2015.

- *Risk of a credit rating downgrade:*
  Any downgrading of CaixaBank's credit rating could increase its borrowing costs, restrict access to the capital markets, and negatively affect the sale or marketing of products and involvement in transactions, especially those involving longer terms and derivatives. This could reduce the Group's liquidity and have an adverse effect on its operating profit and financial position (see section B.17 containing information on CaixaBank's ratings at the registration date of this document).

2. RISKS AFFECTING BUSINESS CONTINUITY

- *Operational risk:*
  The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.
  The CaixaBank Group's overall objective is to improve the quality of business management, supplying information on operational risks to allow decisions to be made that ensure long-term continuity within the organisation, improvements to its processes and the quality of both internal and external customer service, in accordance with the regulatory framework established, and the optimisation of capital charges.
  In 2017, assessments were made of the impact of new regulatory capital calculation method, SMA *(Standardised Measurement Approach*), the taxonomy of operational risks was brought into line with the new corporate risk map, and the culture and sensitivity of the different areas to operational risk was enhanced.
  The CaixaBank Group has arranged corporate insurance policies to cover the main risks to which its business activities are exposed.

- *Reputational risk:*
  Reputational risk is the risk of loss of competitiveness due to the loss of trust in the CaixaBank Group by some of its stakeholders, based on their assessment of actions or omissions, real or purported, by the Entity, its Senior Management or governance bodies.
  The Corporate Social Responsibility and Corporate Reputation Area, under the supervision of the Corporate Responsibility and Corporate Reputation Committee, is entrusted with monitoring any reputational risk which, should it arise, could adversely affect CaixaBank Group's reputation
  The Reputational Risk Map was updated in 2017, in response to the Bank's current position and external circumstances. New risks have been added and some existing risks have been reformulated.

- *Compliance and conduct risk:*
  Compliance and conduct risk is defined as risk arising from deficient procedures that generate actions or omissions that are not aligned with the legal or regulatory frameworks or with internal codes and rules, and which could result in administrative sanctions or reputation damage.
  The CaixaBank Group's objective is to minimise the probability of this risk occurring and, if it occurs, to detect, report and address the weaknesses promptly.
  Compliance and conduct risk management corresponds to the entire Bank. All employees must ensure compliance with prevailing regulations, applying procedures that reflect those regulations when going about their activities.

- *Technological risk:*
  Technological risk is the risk of losses due to hardware or software inadequacies or failures in technical infrastructure that could compromise the availability, integrity, accessibility and security of the infrastructures and data. Technology infrastructure is essential to guarantee the continuity of the Bank's operations.

- *Legal/regulatory risk:*
  Legal and regulatory risk is associated with a loss or decrease in profitability as a result of changes to the regulatory framework or court rulings that go against the Issuer.
  A class action is under way in which the claimants are seeking to dis-apply the use of floor causes in certain mortgage loans in the Entity's portfolio.
  A judgement was issued on 7 April 2016 rendering null and void the floor clauses in the general terms and conditions of the mortgage loan agreements entered into with consumers that were identical to those affected by the class action, due to a lack of transparency, with banks having to: eliminate said clauses from loan agreements; (ii) stop using them in an non-transparent manner; and (iii) repay to affected consumers the amounts unduly charged as a result of applying the null and void clauses as from the date of the Supreme Court judgement of 9 May 2013, plus any applicable interest payable by law. The Group eliminated these floor clauses in 2015, with an annual impact on net interest income of EUR -220 million.
  This judgement is not final and has therefore been appealed by several parties, including CaixaBank. In its appeal, the ADICAE consumer association called for reimbursements not to be limited to the amounts collected since 9 May 2013 but to include, in each case, all amounts collected since each mortgage loan was arranged. The Public Prosecutor has opposed this request (unless the European Court of Justice rules otherwise). For the CaixaBank Group this means a maximum exposure of approximately EUR 1,250 million.
  On 13 July 2016, the Advocate General of the European Union, which issued his opinion prior to the decision delivered by the Court of Justice of the European Union (CJEU), decided in favour of the Spanish Supreme Court's decision to limit repayments back to May 2013 (this being the doctrine applied by Commercial Court 11). However, on 21 December 2016 the ruling handed down by the CJEU failed to heed the reports issued by the Advocate General and upheld full retroactive reimbursement in relation to the abusive floor clauses.
  Given the circumstances, in 2015 and 2016 the Group posted total provisions of EUR 625 million (EUR 515 and EUR 110 million, respectively) to cover the best estimated value of disbursements that were expected could derive from these proceedings, based on: (i) what the Entity deemed to be the most probable outcome; (ii) how the case was unfolding; and (iii) the uncertainty surrounding the outcome, so as to cover any reasonably expected payouts based on best estimates. This amount is also sufficient for the scenario envisioned in Royal Decree Law 1/2017, of 20 January, on urgent measures to protect consumers in relation to floor clauses ("RDL 1/2017").
  The best estimate on which this provision was calculated is based on an external report prepared by an independent expert (Ernst & Young), which contains experience-based analyses, projections and calculations that are useful here and that also address the impact of RDL 1/2017.
  Although this new enhanced provision is based on best estimates, the Entity continues to closely monitor and analyse its sufficiency every three months while drawing on its experience and the lessons learned, and will increase and/or enhance the provision accordingly as and when needed. In accordance with RDL 1/2017, the CaixaBank Group implemented a code of best practices in 2017, creating a specialised department or service to swiftly handle claims filed in relation to this Royal Decree Law, and thereby attend and provide

	responses to its customers within three months. The established procedure has now been activated. Claims are still being reviewed and customers are being informed of the decisions made and disbursements are effected when applicable. In 2017, EUR 241 million has been used to redress claims in the framework of RDL 1/2017, with no impact on profit or loss in the year and no additional provisions were recognised. Lastly, certain annual periods are open to inspection by the tax authorities and tax proceedings are under way for which the relevant provisions have been duly allocated.
D.3	**Key information on the main risks affecting the securities** *(Delete as appropriate)* *1.<u>Credit risk:</u>* the risk that the Issuer is unable to repay the nominal amount or that the discharge of this obligation is delayed. The main criteria used to assess the solvency of an Issuer is usually its capacity to generate future profits and therefore meet its payment obligations. The issuances made under this Base Prospectus will be secured by the Issuer's assets but not <u>by the Deposit Guarantee Fund.</u> *2.<u>Market risk</u>*: is the risk generated by changes in general market conditions relative to the conditions of the investment. The securities are liable to fluctuations in market price, mainly due to changes in interest rates and the duration of the investment. The securities may at times trade below their subscription or purchase price. *3.<u>Risk of a credit rating downgrade</u>:* the credit rating measures the probability that the entity issuing the securities will pay the principal of the securities on maturity in addition to all established interest payments. In particular, investors must assess the likelihood of a deterioration of the Issuer's credit quality, which could lead to the securities acquired becoming less liquid on the market and loss of value (see point B.17 above). There is a real risk that the holders of subordinated bonds and notes and Tier 2 subordinated bonds and notes could lose all or part of their investment if the Issuer were to declare insolvency or in the event of resolution. *4.<u>Risk of subordination and priority of investors in the event the Issuer declares insolvency:</u>* if the Issuer were to declare insolvency, the risk to investors would depend on the type of security involved (see point C.8 above "Order of priority and subordination"). *5.<u>Risk of early redemption</u>:* in cases where the Final Terms of an issuance establish the possibility of early redemption by the Issuer, and this right is executed, the investor may not be able to reinvest the proceeds of this early redemption in comparable securities or bearing the same interest rate. *See point C.9 above.* *6.<u>Risk relating to the use of certain securities as Tier 2 capital or as the minimum requirements for own funds and eligible liabilities for the Issuer and/or its Group ("MREL")</u>:* Tier 2 subordinated bonds and notes will be issued in order to meet the requirements for eligible Tier 2 capital instruments, and subordinated bonds and notes, non-preference senior bonds and notes, and where applicable and when indicated in the Final Terms, ordinary senior bonds and notes may be issued to meet the requirements for eligible liabilities ("MREL") in accordance with regulatory requirements at all times. In accordance with present requirements (and among others), the holders of these securities may not claim payment of the amounts owed, even if the Issuer fails to meet its payment obligations, and will have no right to receive compensation ahead of any other rights, credits or obligations corresponding to the Issuer. Additionally, in certain cases the Issuer may redeem the securities early if specific events occur. Lastly, the use of these securities to meet the eligible liabilities requirements for the Issuer and/or its Group is subject to uncertainty. *7.<u>Liquidity risk or representativeness of the securities on the market</u>:* Although the Issuer expects to apply for admission of the securities issued under this Base Prospectus to trading on an official secondary market, it is impossible to guarantee that they will be actively traded on that market. Issuances aimed at minority investors admitted for trading on the AIAF, Fixed Income Market, will be traded on the Electronic Debt Trading System (SEND), or other similar platforms that may exist in the future, and may have a liquidity agreement with one or more Liquidity Providers, the content of which must be in alignment with CNMV Circular 1/2017, of 26 April, on liquidity agreements, and any directives, criteria or good practices governing the provision of liquidity published by the CNMV at any given time. *8.<u>Risk related to the possibility that the securities contain provisions that allow them to be modified by certain majorities without the consent of all investors</u>*: the terms of the securities could include provisions for convening assemblies of the security holders, where applicable, to address issues that affect their general interest. These provisions may allow certain majority groups to oblige all holders of the securities to adopt a particular course of action, including those who have not attended or voted at the corresponding assembly, and those whose vote went against the majority. *9.<u>Risk of conflict of interest</u>:* this risk could exist where, in an issuance, the Issuer also acts as the calculation agent, even when, in virtue of CaixaBank's established conflict of interest policy, measures have been arbitrated to avoid potential conflicts of interest. This risk may also arise in cases where participants in securities offer have some kind of conflict of interest, or particular interest, as indicated in the Final Terms. *10. <u>Exchange rate risk</u>:* If an investor holds securities denominated in a currency other than its national currency, this investor will be exposed to fluctuations in exchange rates that could negatively affect the value of their portfolio. Further, the imposition of exchange controls could mean that the investor does not receive the payments relating to the securities held. *11. <u>Risk of loss of principal and physical delivery (applies only to structured securities that include this option)</u>:* Structured securities are high risk securities that may generate a positive yield but also result in losses on the nominal amount invested for all types of investors. If, at the redemption date, the redemption price is lower than the issue price, the investor will lose part of the amount invested, or the whole amount if the redemption price is zero. If stipulated in the Final Terms of the issuance, full or partial redemption could result in the physical delivery of units of the underlying asset. In this case, when the final reference price of the underlying asset is lower than the initial reference price, a specified number units in the underlying asset may be delivered to the investor in place of all or part of the nominal amount invested, as established in the Final Terms. *12. <u>Risk that, in the event of a bail-in and/or redemption and conversion pursuant to Directive 2014/59/EC of 15 May 2014 (BRRD) and Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies, the securities may be redeemed and/or converted into shares or other equity instruments</u>*: The regulation governing the restructuring and resolution of credit institutions and investment services companies provides the resolution authorities with various tools or competencies to intervene rapidly and sufficiently ahead of time in institutions with solvency problems or that are unviable, to ensure the continuity of their key financial and economic functions, while at the same time minimising the impact of this lack of viability on the financial system. Therefore, if the resolution authority considered that CaixaBank was in a position in which it would be considered an unviable entity, or there was a probability of this happening, or if there were no reasonable grounds to believe that any alternative measure undertaken in the private sector could prevent it from becoming unviable in a reasonable time frame, it could decide to apply, individually or in any combination, the tools or competencies at its disposal. These could include:

	• **Bail-in**, which would give the resolution authorities the power to redeem or convert the so-called "eligible liabilities for bail-in" into shares or other equity instruments , which are all those not expressly excluded in the regulation, or, where applicable, by decision of the resolution authority. They could include ordinary plain-vanilla bonds and notes, non-preference senior bonds and notes, structured bonds and notes, in addition to subordinated bonds and notes and Tier 2 subordinated bonds and notes. • **The power of redemption and conversion, which would give the resolution authorities the power to redeem** and/or convert the so-called "eligible capital instruments" into shares or other equity instruments, independently of any resolution measure, including bail-in. The definition of "eligible capital instruments" contained in the corresponding regulation includes additional Tier 1 and Tier 2 capital instruments, which would therefore include Tier 2 subordinated bonds and notes. The resolution tools and competencies have an impact on the holders of the securities affected, as the exercise of these powers by the resolution authorities could result in the full or partial loss of their investment and/or receipt of other securities with a significantly lower value. Further, the BRRD and Royal Decree 1012/2015, implementing Act 11/2015, require banks to keep a sufficient level of own funds and eligible liabilities at all times (from among the eligible liabilities for bail-in purposes), known as the minimum requirement for eligible liabilities ("MREL"). The aim is for this minimum amount to be commensurate with each category of bank, based on its risks and the composition or structure of its sources of funding. The MREL requirement took effect on 1 January 2016. Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, was approved to provide resolution authorities with detailed guidance on establishing MREL requirements for banks, granting them discretionary powers to set the right minimum level and composition of MREL for each bank. Also, as part of the banking reforms being carried out in the European Union, on 23 November 2016, the European Commission published a draft directive to amend the BRRD. The reform package envisages a harmonised framework for calculating minimum own funds and eligible liabilities for certain debt instruments that meet a set of requirements, proposing the creation of a new class of simple or ordinary non-preferred debt that would come first in a bail-in ahead of other simple or ordinary debt. In Spain, this new category has been introduced by Royal Decree Law 11/2017, of 23 June, on urgent financial measures.
D.6	**Risk of loss of principal in structured securities:** Not applicable (where it does not apply to structured securities) **There is a risk that investors may lose up to [X]% of their investment** *(complete according to the structure applicable and included in the Final Terms) (applies only for structured securities)*. Structured securities are high risk securities that include complex structures that in many cases involve trading in derivatives, and may generate a positive yield but also result in losses on the nominal amount invested. In cases where, on the redemption date, the redemption price is below par, investors may lose part of the amount invested, or the full amount if the redemption price is zero. Or may receive the physical delivery of units in the underlying assets in place of all or part of the nominal amount invested *(applies only for structured securities)*.

	Section E – the Offer
E.2b	**Reasons for the offer and use of proceeds** The net proceeds from each of the issuances made under this Base Prospectus will be allocated for general use of the CaixaBank Group in the development of its activities. [The reason for the issuance is to raise long-term wholesale funding to develop its activities.] [The reason for the issuance is that the securities may be eligible for the Issuer or Group's minimum requirements for own funds and eligible liabilities ("MREL") in accordance with prevailing legislation or any other legislation amending or replacing it in the future)]. [The reason for the issuance is the consideration of the securities as Tier 2 capital instruments of the Issuer and their eligibility as Tier 2 capital for the Bank and/or the Group, in accordance with Regulation 575/2013.] [ ] *(complete if there are reasons for the offer and a specific use for the proceeds)*.
E.3	**Description of the offer terms** Amount of the Offer: • Total nominal amount: • Total cash amount: • Unit nominal amount: • Number of securities: • Issue price: Subscription: • Potential subscribers to whom the issuance is addressed: *[*] (complete as established in the Final Terms) • Minimum/maximum subscription amount: *[*] (complete as established in the Final Terms) Distribution and placement: • Subscription processing: [ ] *(complete as established in the Final Terms)* • Procedures for allotment and placement of the securities: [ ] *(complete as established in the Final Terms)* • Disbursement date: [ ] *(complete as established in the Final Terms)* • Lead Managers: [ ] *(complete as established in the Final Terms)* • Underwriters: [ ] *(complete as established in the Final Terms)* • Dealers: [ ] *(complete as established in the Final Terms)* Calculation agent: [ ] *(complete as established in the Final Terms)* Payment agent: [ ] *(complete as established in the Final Terms)* *Methods and periods of payment and delivery of the securities*: [ ] *(complete as established in the Final Terms)*
E.4	**Significant interests for the issuance/offer, including conflicts.** There are no material particular interests of natural or legal persons involved in the offer.
E.7	**Estimated expenses for the investor applied by the Issuer or offeror.** The Issuance will be free of Issuer fees and expenses for subscribers. CaixaBank, as Issuer, will charge no redemption fee in the Issuance. Without prejudice to any fees charged for cash account maintenance, custody and management of securities deposits and the transfer of securities to other entities notified to the Bank of Spain and/or the CNMV, as supervisory bodies, and which can be consulted

	in the corresponding tariff brochures setting down the applicable fees and expenses that entities under the supervision of the Bank of Spain and the CNMV are obliged to publish. The Issuer will also bear all registration costs in *(IBERCLEAR / Entity responsible for the accounting entry)*. Also, the member entities of Iberclear may freely determine the fees and expenses chargeable to the holders of the securities for management of the securities, in accordance with current legislation, provided said fees and expenses have been notified to the Bank of Spain and the CNMV, where they may be consulted.

II.- RISK FACTORS RELATING TO THE SECURITIES

The key aspects affecting the valuation of the instruments issued as part of this Base Prospectus and that investors should consider before subscribing to each issuance are described below.

1. Credit risk

The risk that the Issuer is unable to repay the nominal amount or that the discharge of this obligation is delayed. The main criteria used to assess the solvency of an Issuer is usually its capacity to generate future profits and therefore meet its payment obligations. Any downgrading of CaixaBank's credit ratings could increase its borrowing costs, restrict access to the capital markets, and negatively affect the sale or marketing of products and involvement in special transactions, those involving longer terms and derivatives. This could reduce the Group's liquidity and have an adverse effect on its operating profit and financial position.
The issuances made under this Base Prospectus will be secured by the Issuer's assets but not by the Deposit Guarantee Fund.

2. Market risk

Market risk is the risk generated by changes in general market conditions relative to the conditions of the investment. Securities issuances are liable to fluctuations in market price, mainly due to interest rate behaviour and investment duration (a rise in interest rates would entail a fall in market prices) and they could fall to below their nominal value or purchase/subscription price.

3. Risk of a changes in credit rating

The credit rating of an entity that issues securities measures the probability that the entity will pay the principal of the securities when they mature and will meet scheduled interest payments.

Credit ratings are a way of measuring risk, and stock market investors demand higher yields for higher risk and expect higher annual interest the lower an Issuer's credit rating. In particular, investors must assess the likelihood of a deterioration of the Issuer's credit quality, which could make the securities purchased on the market less liquid and lead to a loss of value.

At the date of registration of the Base Prospectus, CaixaBank's credit ratings from the following main rating agencies are as follows:

Agency	Review date	Short-term rating	Long-term rating	Outlook

Standard & Poor's Credit Market Services Europe Limited	06/04/2018	A-2	BBB+	Stable
Moody's Investors Services España, SA.	17/04/2018	P-2	Baa2	Positive
Fitch Ratings España, SAU.	03/07/2018	F2	BBB	Positive
DBRS Ratings Limited	12/04/2018	R-1 (low)	A	Stable

Credit rating agencies are registered with the European Securities and Markets Authority (ESMA) pursuant to Regulation (EC) 1060/2009 of the European Parliament and of the Council, of 16 September 2009, on credit rating agencies.

Section 7.5 of the Base Prospectus provides a breakdown of these ratings.

However, there is no guarantee that the ratings shown above will be maintained throughout the term of the Base Prospectus, as ratings may be upgraded or downgraded, suspended or even withdrawn at any time, which would make it difficult for CaixaBank to access the debt markets and affect its funding capacity.

4. Risk of subordination and priority of investors in situations of insolvency

If CaixaBank were to declare insolvency, the risk to investors will depend on the type of security involved and the provisions of insolvency law at that time. Under the current legal framework:

a) Ordinary senior bonds and notes and structured bonds and notes are ranked:

(i) Junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds),

(ii) Pari passu to other non-preference ordinary credits in accordance with Royal Decree Law 11/2017, of 23 June, on urgent financial measures, amending Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies ("Royal Decree Law 11/2017");

(iii) Senior to ordinary non-preference credits in accordance with Royal Decree Law 11/2017, subordinated loans, whether or not they are Tier 2 capital instruments, Tier 1 capital and additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other instruments that are junior to ordinary senior bonds and notes and structured bonds and notes.

b) Pursuant to Royal Decree Law 11/2017, non-preference senior bonds and notes are ranked:

(i) Junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits not classified as non-preference credits in accordance with Royal Decree Law 11/2017, i.e. other ordinary credits specified in article 89.3 of the Spanish Insolvency Act 22/2003, of 9 July (the "Insolvency Act"), including ordinary senior bonds and notes and structured bonds and notes;

(ii) Pari passu to other ordinary non-preference credits pursuant to Royal Decree Law 11/2017;

(iii) Senior to subordinated credits, whether or not they are Tier 2 capital instruments, Tier 1 capital or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or “CoCos”) and any other instruments that are junior to non-preference senior bonds and notes.

c) **Subordinated bonds and notes and Tier 2 subordinated bonds and notes (Tier 2):**

CaixaBank will attend to subordinated credits according to the order and proportion established in prevailing insolvency legislation, specifically article 92 of the Insolvency Act (with the exception of subordinated credits with contractual agreements, as described below). Pursuant to this article, subordinated claims are as follows: (i) claims that are filed late or incorrectly; (ii) claims that are classified as subordinated under a contractual arrangement (including subordinated bonds and notes); (iii) interest (including late-payment interest on subordinated bonds and notes); (iv) fines or monetary penalties; (v) claims filed by creditors that have a special relationship with the Issuer; (vi) claims that are damaging to the Issuer in cases where a Spanish jury or court has ruled that the creditor in question has acted in bad faith (cancellation); and (vii) claims deriving from contracts with reciprocal obligations referred to in articles 61, 62, 68 and 69 of the Insolvency Act when the judge rules, following a report from the insolvency practitioners, that the creditor has repeatedly hindered fulfilment of the contract against the interests of the insolvency proceedings.

Pursuant to the Insolvency Act and Additional Provision Fourteen of Act 11/2015, if the Issuer declares insolvency:

(A) **Subordinated bonds and notes** will rank:

(i) Junior to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits (whether or not they are classed as non-preferential credits under Royal Decree Law 11/2017), and any other claims that by law and/or under their own terms, where permitted by law, rank senior;

(ii) Pari passu to the Issuer's different issuances of subordinated bonds and notes, and contractually subordinated bonds that do not make up its additional Tier 1 capital or Tier 2 capital; and

(iii) Senior to securities considered to be Tier 2 capital instruments (which would include Tier 2 subordinated bonds and notes), those classed as Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or "Cocos") and any other subordinated credits that rank junior to subordinated bonds and notes.

(B) **Tier 2 subordinated bonds and notes**, when they have the consideration of Tier 2 capital instruments, will rank junior to the subordinated bonds and notes described in section (A) above.

Therefore, Tier 2 subordinated bonds and notes will rank:

(i) Junior to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) or ordinary credits (whether or not they are classed as non-preferences credits under Royal Decree Law 11/2017), subordinated credits that are not additional Tier 1 capital instruments or Tier 2 capital instruments (including subordinated bonds and notes), and any other subordinated credits which by law and/or under their own terms, and to the extent permitted by law, rank senior to Tier 2 subordinated bonds and notes;

(ii) Pari passu to any other of the Tier 2 capital instruments of the Issuer and other subordinated securities that by law and/or under their own terms, and to the extent permitted by law, rank pari passu to Tier 2 subordinated bonds and notes; and

(iii) Senior to Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or "CoCos"), and any other credits that by law and/or their own terms, and to the extent permitted by law, rank junior to Tier 2 subordinated bonds and notes.

Without prejudice to the above, in the event that Tier 2 subordinated bonds and notes are no longer considered to be Tier 2 capital instruments of the Issuer, the priority of payment for Tier 2 subordinated bonds and notes would be the same as that described for subordinated bonds and notes in point (A) above.

d) Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, **mortgage covered bonds** confer on their holders the status of special preferential creditors, as described in article 1923.3 of the Civil Code, vis-a-vis any other creditors, for all mortgage loans registered in favour of CaixaBank, with the exception of those used to secure mortgage bonds or participations, and for substitution assets and economic flows generated by any derivative financial instruments associated with the issuance.

In the event of insolvency, holders of mortgage covered bonds will be classed as special preferential creditors with regard to the Issuer's mortgage loans in accordance with article 90.1.1 of the Insolvency Act, and no order of preference will be conferred, regardless of the date of issuance.

e) Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, **mortgage bonds** will include credit rights for holders vis-a-vis the Issuer and entail execution to claim payment from the Issuer after the maturity date. The holders of these mortgage bonds will be considered special preferential creditors, as stipulated in article 1923.3 of the Civil Code, vis-a-vis any other creditor, in relation to the mortgage loans and credits in question, substitution assets and economic flows generated by any derivative financial instruments associated with the issuance. Holders of mortgage bonds in an issuance will have seniority over holders of mortgage covered bonds when claiming for a loan or credit included in the issuance.

In the event of insolvency, holders of mortgage bonds will be classed as special preferential creditors with regard to the Issuer's mortgage loans in accordance with article 90.1.1 of the Insolvency Act, and no order of preference will be conferred, regardless of the date of issuance.

f) Pursuant to article 33 of Act 14/2013, of 27 September, on support for entrepreneurs and internationalisation, holders of **public sector covered bonds** will have preferred rights over CaixaBank's credit vis-a-vis public administrations, which do not guarantee issuances of internationalisation covered bonds under article 34 of this Act, with regard to the collection rights deriving from their ownership of these securities, in accordance with article 1,922 of the Civil Code. Such ownership will confer executive status under the terms set down in the Civil Procedure Act.

In the event of insolvency, holders of public sector covered bonds will be classed as special preferential creditors with regard to claims on the Issuer's credit vis-a-vis public entities in accordance with article 90.1.1 of the Insolvency Act.

5. Risk of early redemption

In cases where the Final Terms of an issuance allow early redemption by the Issuer (including Tax Events, Capital Events in the case of Tier 2 subordinated bonds and notes, and Eligible Liabilities Events in the case of subordinated bonds and notes, non-preference senior bonds and notes, and ordinary senior bonds and notes, if established in the corresponding Final Terms), the Issuer will have the right to redeem the issuances early under the terms of this Base Prospectus. In this case, investors may not be able to reinvest the proceeds deriving from this early redemption in comparable securities or at the same interest rate.

6. Risk relating to the use of certain securities as Tier 2 capital instruments and/or as the minimum requirements for own funds and eligible liabilities for the Issuer and/or its Group ("MREL")

In accordance with Regulation EU 575/2013 of the European Parliament and of the Council, of 26 June 2013, on the prudential requirements of credit institutions and investment services companies ("**Regulation 573/2013**"), the Issuer will not include any early redemption options in favour of the holders of the Tier 2 capital instruments issued, i.e. Tier 2 subordinated bonds and notes. Neither will they be able to grant holders the power to claim payment of the amounts owed, so the Issuer's failure to meet any of its payment obligations will not be classified as a breach that could give rise to a claim or early repayment. Similarly, holders of these securities will not be entitled to exercise any right to compensation relative to any of the Issuer's rights, credits or obligations.

In addition to the requirements applicable to capital instruments, Directive 2014/59/EU of the Parliament and of the Council, of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment services companies (the "**BRRD**"), Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies, which partly transposes the BRRD into Spanish law ("**Act 11/2015**"), and Royal Decree 1012/2015, implementing Act 11/2015, introduce the requirement for banks to maintain at all times suitable levels of own funds and eligible liabilities (of those eligible for bail-in purposes), known as the minimum requirement for eligible liabilities ("MREL").

The aim is for this minimum amount to be commensurate with each category of bank, based on its risks and the composition or structure of its sources of funding. The MREL requirement took effect on 1 January 2016. Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, was approved to provide resolution authorities with detailed guidance on establishing MREL requirements for banks, granting them discretionary powers to set the right minimum level and composition of MREL for each bank.

As part of the banking reforms being carried out in the European Union, on 23 November 2016, the European Commission published a draft directive to amend the BRRD (the "**Draft**"). This establishes a harmonised approach to calculate different debt instruments that meet a series of requirements for the purposes of minimum own funds and eligible liabilities requirements.

In accordance with the above, CaixaBank may issue subordinated bonds and notes, non-preference senior bonds and notes and ordinary senior bonds and notes, where necessary, and when specified in the Final Terms, that can be classed as eligible liabilities in accordance with current regulatory requirements. In accordance with present requirements (and among others), the holders of these securities may not claim payment of the amounts owed, even if the Issuer fails to meet its payment obligations, and will have no right to receive compensation ahead of any other rights, credits or obligations corresponding to the Issuer.

However, there is uncertainty over the final text of the legislation applicable in relation to eligibility criteria and the calculation of minimum own fund and eligible liabilities requirements, in addition to its application and interpretation, and therefore it cannot be guaranteed that these securities are and will remain eligible for inclusion in this requirement. Under the conditions set down in the Base Prospectus, the Issuer may redeem the securities early in the case of a Tax Event, a Regulatory Event, or an Event involving Eligible Liabilities.

7. Liquidity risk or representativeness of the securities on the market

Liquidity risk is the risk that investors will not find a counterparty for the securities.

Although the Issuer expects to apply for admission of the securities issued under this Base Prospectus to trading on an official secondary market, it is impossible to guarantee that they will be actively traded on that market.
Neither is it possible to guarantee the performance or liquidity of the trading markets for each particular issuance.

Issuances aimed at minority investors admitted for trading on the AIAF, Fixed Income Market, may have a liquidity agreement with one or more Liquidity Providers, the content of which must be in alignment with CNMV Circular 1/2017, of 26 April, on liquidity agreements, and any directives, criteria or good practices governing the provision of liquidity published by the CNMV at any given time.

8. Risk related to the possibility that the securities contain provisions that allow them to be modified by certain majorities without the consent of all investors.

The terms of the securities could include provisions for convening assemblies of the security holders, where applicable, to address issues that affect their general interest. These provisions may allow certain majority groups to oblige all holders of the securities to adopt a particular course of action, including those who have not attended or voted at the corresponding assembly, and those whose vote went against the majority.

9. Risk of conflict of interest

This risk could exist where, in an issuance, the Issuer also acts as the Calculation Agent, even when, in virtue of the CaixaBank's established conflict of interest policy, measures have been arbitrated to avoid potential conflicts of interest. This risk may also arise in cases where participants in the securities offer have some kind of conflict of interest, or particular interest, as indicated in the Final Terms.

10. Exchange rate risk

The Issuer will pay the principal and interest corresponding to the securities in the established reference currency. This presents certain risks relating to foreign currency exchange if the investor's financial activities are mainly carried out in a currency or monetary unit other than the reference currency. This includes the risk of significant fluctuations in exchange rates, and the risk monetary authorities may impose currency controls or amend existing controls.

The strengthening of one currency against another could reduce (i) the equivalent return in the reference currency, (ii) the equivalent value in that currency of the principal of the securities payable and (iii) the equivalent market value of the securities in that currency.

As has occurred in the past, government and monetary authorities may impose currency exchange controls that could negatively impact an applicable exchange rate or the Issuer's capacity to make payments in relation to the securities. As a result, investors could receive less interest or principal than expected, or even receive no interest or principal at all.

11. Risks affecting structured securities: possible loss of principal, physical delivery of units in the underlying, no coupon payments or automatic early redemption

The structured securities described in Appendix IV of this Base Prospectus are high risk securities (they include complex structures, that in many cases involve trading in derivatives), which may generate a positive yield but may also result in losses on the nominal amount invested. If, at the redemption date, the redemption price is lower than the issuance or purchase price, customers will lose part of the amount invested, or the whole amount if the redemption price is zero.

The Final Terms of the issuance may stipulate the full or partial redemption of the nominal amount of the investment through the physical delivery of units of the underlying asset. This could occur, if, on the redemption date, the final reference price of the underlying asset is lower than the reference price indicated in the Final Terms. In such a case, the customer could receive, instead of the nominal amount invested, a number of unit of the underlying asset, in accordance with the calculation set down in the Final Terms.

From that moment on, the customer will be exposed to the market, credit, Issuer risk, etc. associated with holding units in the underlying asset.

Further, the Final Terms may also describe cases in which no interest is paid whatsoever and cases of automatic early redemption based on the performance of the underlying asset.

12. Risk that on application of bail-in powers and/or the power of redemption and conversion described in the BRRD and Act 11/2015, the securities may be redeemed and/or converted into shares or other equity instruments.

On 12 June 2014, Directive 2014/59/EU of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment services companies (the "**BRRD**") was published in the Official Journal of the European Union.

On 19 June 2015, Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies, was published in the Official State

Gazette, which partly transposes the BRRD into Spanish law ("**Act 11/2015**") in addition to Royal Decree 1012/2015, of 6 November, implementing Act 11/2015.

This regulation provides the resolution authorities with various tools or competencies (Single Resolution Board, or SRB, for significant entities, and the FROB in Spain, for other entities) to intervene rapidly and sufficiently ahead of time in institutions with solvency problems or that are unviable, to ensure the continuity of their key financial and economic functions, while at the same time minimising the impact of this lack of viability on the financial system.

According to Act 11/2015, an entity is considered to be unviable or can reasonably be expected to become unviable in any of the following circumstances: (i) it substantially fails to comply or is reasonably expected to fail to comply in the near future with the requirements necessary to preserve its authorisation; (ii) its eligible liabilities are greater than its assets or are reasonably expected to be greater in the near future; (iii) it is not able to comply with its obligations, or is reasonably expected to be unable to comply with its obligations in the near future; or (iv) it needs extraordinary public financial aid, except in certain circumstances.

In line with the provisions of the BRRD, Act 11/2015 stipulates that if the resolution authority considers that the entity is unviable, or there is a probability of it becoming unviable, or if there are no reasonable grounds to believe that any alternative measure undertaken in the private sector could prevent it from becoming unviable in a reasonable time frame, and the resolution measure is in the public interest, the following resolution options could be applied, individually or in any combination:

(i) Sale of the entity's business, in virtue of which the resolution authorities are given the power to transfer all or part of the entity's business, in market conditions and to a buyer that is not a "bridge entity";

(ii) Transfer of assets and liabilities to a bridge entity, in virtue of which the resolution authorities are given the power to transfer all or part of the entity's business to a "bridge entity", (a company created for this purpose, owned by a public funding authority or mechanism and controlled by the resolution authority);

(iii) Transfer of assets and/or liabilities to an asset management company, in virtue of which the resolution authorities are given the power to transfer the entity's assets, rights and liabilities to one or more "asset management companies" (entities created for this purpose, owned by a public funding authority or mechanism and controlled by the resolution authority) so that these entities can manage the assets transferred to maximise their value through their eventual sale or orderly settlement. This option may only be used by the resolution authorities in conjunction with another resolution option; and

(iv) The **bail-in tool** (in place since 1 January 2016), in virtue of which the resolution authorities are given the power to redeem or convert the so-called "eligible liabilities for bail-in" into shares or other equity instruments, which are all those not expressly excluded in the regulation, or, where applicable, by decision of the resolution authority. These could include ordinary senior bonds and notes, non-preference senior bonds and notes, structured bonds and notes, in addition to subordinated bonds and notes and Tier 2 subordinated bonds and notes.

Further, the BRRD and Act 11/2015 grant the resolution authorities the power to **redeem** and/or convert so-called "eligible capital instruments" into shares or other equity instruments pursuant to article 38 of Act 11/2015, independently of any

resolution measure, including bail-in. The definition of “eligible capital instruments” contained in BRRD includes additional Tier 1 and Tier 2 capital instruments, which would therefore include Tier 2 subordinated bonds and notes.
The resolution tools and competencies have an impact on the holders of the securities affected, as the exercise of these powers by the resolution authorities could result in the full or partial loss of the investment and/or receipt of other securities with a significantly lower value.

Nonetheless, the BRRD and Royal Decree 1012/2015, implementing Act 11/2015, require banks to keep a sufficient level of own funds and eligible liabilities at all times (from among the eligible liabilities for bail-in purposes), known as the minimum requirement for eligible liabilities (“MREL”). The aim is for this minimum amount to be commensurate with each category of bank, based on its risks and the composition or structure of its sources of funding. The MREL requirement took effect on 1 January 2016. Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities was approved to provide resolution authorities with detailed guidance on establishing MREL requirements for banks, granting them discretionary powers to set the right minimum level and composition of MREL for each bank.

Also, as part of the banking reforms being carried out in the European Union, on 23 November 2016, the European Commission published a draft directive to amend the BRRD. The reform package envisages a harmonised framework for calculating minimum own funds and eligible liabilities for certain debt instruments that meet a set of requirements, proposing the creation of a new class of simple or ordinary non-preferred debt that would come first in a bail-in ahead of other simple or ordinary debt. In Spain, this new category has been introduced by Royal Decree Law 11/2017, of 23 June, on urgent financial measures, and amending Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies.

III.- BASE PROSPECTUS

1. PERSONS RESPONSIBLE

1.1. Persons responsible for the information

Javier Pano Riera, Chief Financial Officer, acting in virtue of the Board of Directors agreement of 24 May 2018 and in representation of CAIXABANK, SA. (hereinafter, CAIXABANK, the Bank, the Issuing Entity or the Issuer), with registered offices in Calle Pintor Sorolla, 2-4, 46002-Valencia, assumes responsibility for the content of this Base Prospectus.

1.2. Statement of the persons responsible for the Base Prospectus

Javier Pano Riera declares that having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its import.

2. RISK FACTORS

See Section II "Risk factors relating to the securities" of this Base Prospectus. For risks relating to the Issuer, see section D.1 of the Summary, and the "Risk factors" section of the CaixaBank Registration Document.

3. KEY INFORMATION

3.1. Interests of natural and legal persons taking part in the Issuance/Offer

There are no particular interests, and any arising would be included in the Final Terms.

3.2. Reasons for the offer and use of proceeds

The Issuances of securities made under this Base Prospectus are part of CaixaBank's usual funding activity.

Expenses relating to the registration of the Base Prospectus are as follows:

Item	Amount
CNMV registration fees*	EUR 5,050
AIAF registration fees (0,005/1000 with a maximum of EUR 55,000)	EUR 55,000.00

* The CNMV registration fee will be waived if the first issuance made under this Base Prospectus is admitted for trading on an official market less than six months from the registration date of the Base Prospectus.

In addition to these fixed expenses, each issuance made under this Base Prospectus will bear the following expenses, applicable on the nominal amount of each one, if they are traded on the AIAF, Fixed Income Market:

Item	Amount
CNMV fees for admission to trading on AIAF	0.01/100 (with a minimum amount of EUR 3,060.30 and a maximum of EUR 61,206) and EUR 510.05 per issuance from the 11th verification
AIAF fees for maturities < 1 year	0.01/1000, with a maximum of EUR 55,000 as the sum of all issuances
AIAF fees for maturities > 1 year	0.01/1000, with a minimum of EUR 2,000 and a maximum of EUR 55,000 per issuance
IBERCLEAR fees (inclusion)	EUR 500

4. INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING

4.1. Description of the type and class of the securities

The securities to be issued under this Base Prospectus may be senior bonds and notes; subordinated bonds and notes; mortgage covered bonds; structured bonds and notes; mortgage bonds and public sector covered bonds. The total nominal amount of the different issuances made under this Base Prospectus may not be more than EUR 15,000 or its equivalent for issuances made in other currencies.

At the time of each individual issuance made under this Base Prospectus, the Issuer will publish a set of Final Terms, together with a summary of the issuance, where applicable, based on the format provided in Appendix VII of this Base Prospectus, giving details of its particular terms and conditions. These Final Terms will be filed with the CNMV and, where necessary, with the governing body of the stock market in which the securities will be admitted to trading and with the entity responsible for their registration. The Final Terms for each issuance will also be published on the CNMV website (https://www.cnmv.es/Portal/Consultas/EE/DatosGenerales.aspx?nif=A-08663619)

- Senior bonds and notes: the main features of senior bonds and notes are described in Appendix I of this Prospectus.

- Subordinated bonds and notes: the main features of subordinated bonds and notes are described in Appendix II of this Prospectus.

- Mortgage covered bonds: the main features of mortgage covered bonds are described in Appendix III of this Prospectus.

- Structured bonds and notes: the features of these securities are described in Appendix IV.

- Mortgage bonds: the main features of mortgage bonds are described in Appendix V of this Prospectus.

- Public sector covered bonds: the main features of public sector covered bonds are described in Appendix VI of this Prospectus.

The aforementioned securities are not covered by the Deposit Guarantee Fund.

All the securities issued under this Base Prospectus have the Issuer's personal and universal guarantee, and all issuances are secured by its assets.

Information on the ISIN code (International Securities Identification Number) or other international codes of each of the issues made under this Base Prospectus, will be given in the Final Terms of the related issuance.

Where so provided in the terms and conditions of the securities issued under this Base Prospectus and so specified in (a) the Final Terms of the securities issued under this Base Prospectus or (b) the Securities Notes relating to securities issued independently of this Base Prospectus, securities may be considered fungible with others of the same kind issued at a later date. Whenever a new issue of securities is fungible with previous issues of the same kind, this fact will be stated in the respective Final Terms or Securities Note.

If fungible securities are issued, the holders of the original issuance will not have priority as creditors versus holders of the other issuance, but will hold the same rights, in the event of the voluntary dissolution or insolvency of the Issuer, and the same obligations as the holders of the original issuance (same nominal unit value, same coupon payments, same maturity date, etc.).

At the same time as the issuance of the securities described, interest rate hedging derivatives may be arranged, in addition to other derivatives related to the issuance.

4.2. Legislation governing the securities

The securities will be issued in accordance with Spanish law applicable to the Issuer and to the securities themselves.

Specifically, they will be issued pursuant to Royal Decree Law 4/2015, of 23 October, enacting the restated text of the Securities Market Act, Royal Decree Law 1/2010, of 2 July, enacting the restated text of the Corporate Enterprises Act and regulating the formation of the bondholders' syndicate, and in accordance with any other enacting or revising legislation, Act 5/2015, of 27 April, on the promotion of business financing, Royal Decree Law 5/2005 and Royal Decree 1310/2005.

This Base Prospectus has been prepared following the form provided in Commission Regulation (EC) 809/2004 of 29 April 2004, amended by Commission Regulation (EC) 486/2012, of 30 March 2012, related to Directive 2003/71/EC of the European Parliament and of the Council regarding the information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and the dissemination of advertisements, and by Commission Delegated Regulation (EU) 862/2012, of 4 June 2012 that, among others, describes the information that must be provided when consent is given to use financial intermediaries and new regulations for underlying indexes.

They are also regulated by Directive 2014/59/EU of the European Parliament and of the Council, of 15 May 2014, transposed into Spanish law through Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies and implemented by Royal Decree 1012/2015, in addition to Royal Decree Law 11/2017, of 23 June, on urgent financial measures and amending Act 11/2015, of

18 June, on the recovery and resolution of credit institutions and investment services companies.

For issuances of senior bonds and notes, subordinated bonds and notes, mortgage covered bonds, structured bonds and notes, mortgage bonds and public sector covered bonds the provisions set down in the Appendix to this Base Prospectus will apply.

4.3. <u>Form of the securities</u>

The various classes of issuances made under this Base Prospectus will be represented in book-entry form.

The law applicable to them will be as established in section 4.2 above. At the time of each individual issuance made under this Base Prospectus, the Issuer will publish a set of Final Terms, based on the form provided in Appendix VII of this Base Prospectus, giving details of the particular characteristics of securities issued. These Final Terms will be filed with the CNMV and, where necessary, with the governing body of the market in which the securities will be admitted to trading and with the entity responsible for the Register of Securities (accounting register).

In the case of securities admitted to trading on an official Spanish secondary market, the entity responsible for the register of securities held in book-entry form and for clearing and settlement will be Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, SA. Unipersonal (Iberclear), whose registered address is Plaza de la Lealtad 1, Madrid, or any substituting entity. The Issuer may also provide clearing and settlement of the securities through the international Euroclear or Clearstream systems, as specified in the Final Terms. In the case of securities admitted to trading exclusively in regulated markets of the European Union, the register of securities will be kept by the central depositary designated by the governing body of the secondary market concerned, in accordance with the depositary's operating rules.

Applications may be made to admit the securities issued under this Base Prospectus to trading on Spanish markets and/or other secondary markets of the European Union, which will be specified for each issuance in its corresponding Final Terms.

4.4. <u>Issuance currency</u>

The securities may be issued in any currency that is legal tender of an OECD country.

In any case, the Final Terms of each issuance will clearly specify the currency in which the securities issued under this Base Prospectus are denominated.

4.5. <u>Priority of payment</u>

The issuances made under this Base Prospectus will have the following priority of payment, and where applicable, the guarantees specified for each of the following classes of securities.

In the event of insolvency situations affecting CaixaBank, investors' claims will be ranked in accordance with the Insolvency Act and corresponding implementing regulations in force at all times.

Currently:

- Senior bonds and notes

The priority of payment of senior bonds and notes is described in Appendix I of this Base Prospectus.

- Subordinated bonds and notes

The priority of payment of subordinated bonds and notes is described in Appendix II of this Base Prospectus.

- Mortgage covered bonds

The priority of payment of mortgage covered bonds is described in Appendix III of this Base Prospectus.

- Structured bonds and notes

The priority of payment of structured bonds and notes is described in Appendix IV of this Base Prospectus.

- Mortgage bonds

The priority of payment of mortgage bonds is described in Appendix V of this Base Prospectus.

- Public sector covered bonds

The priority of payment of public sector covered bonds is described in Appendix VI of this Base Prospectus.

4.6. Description of the rights attached to the securities and how these rights are executed

Under prevailing legislation, the securities do not carry present and/or future voting rights in CaixaBank for investors that acquire them.

For investors that acquire and hold the securities, the rights attached to the securities are those arising from the terms and conditions of the issuance as regards interest rate, yield and redemption price, are stated in sections 4.7 and 4.8 below (or in the corresponding appendix depending of the type of security involved) and will be specified in the respective Final Terms published for each securities issuance made under this Base Prospectus.

The debt will be serviced by the entity designated as Paying Agent for each of the issuances made, and unless stated otherwise in the Final Terms, will be serviced by CaixaBank, the credit institution with registered offices at Calle Pintor Sorolla 2-4, 46002 Valencia (Spain).

The holders of bonds and notes covered by this Base Prospectus will be entitled to vote in the General Assembly of Bondholders or Debt Security Holders, as provided by section 4.10 below.

Although in the case of mortgage covered bonds there is no legal requirement to create one, the Issuer may agree to form a syndicate of covered bondholders, following a procedure that is similar to that established for bonds and notes under Royal Decree Law 1/2010, of 2 July, enacting the restated text of the Corporate Enterprises Act, and regulating the formation of debt security holder syndicates, the rules of which are set down in section 4.10 below, and in which case holders of the covered bonds will be entitled to vote in the General Assembly. If applicable, the formation of a syndicate of covered bond holders will be disclosed in the Final Terms of the issuance concerned.

For mortgage bonds, a bondholders' syndicate may be formed when the bonds are issued in a series, in which case CaixaBank will appoint a representative to arrange the execution in public deed mentioned in article 13.2 of Act 2/1981 on behalf of the future bondholders. If applicable, the formation of a syndicate of bondholders will be disclosed in the Final Terms of the issuance concerned.

For public sector covered bonds, a syndicate of covered bond holders may be formed when the bonds are issued in a series. If applicable, the formation of a syndicate of covered bonds holders will be disclosed in the Final Terms of the issuance concerned.

The holders of structured bonds and notes will be entitled to vote in the General Assembly of Bondholders or Debt Security Holders, as provided by section 4.10 below.

If there is any limitation on the rights mentioned above, this will be disclosed in the Final Terms of the issuance concerned.

Appendices I and II of this Base Prospectus contain specific provisions relating to senior bonds and notes and subordinated bonds and notes.

4.7. Nominal interest rate and provisions relating to interest payable.

4.7.1. Nominal interest rate

The securities issued under this Base Prospectus, with the exception of those listed in Appendix IV, cannot generate negative yields for the investor. However, if CaixaBank were to become unviable (or close to becoming unviable), it is possible that (i) the senior bonds and notes, structured bonds and notes and subordinated securities could be included in a bail-in process; and/or (ii) the subordinated securities could be redeemed and converted into shares, or used as part of a loss absorption mechanism, in accordance with prevailing legislation at the time.

The yield on fixed income securities included in each issuance will be determined using any of the methods listed below:

A. Fixed interest payable at regular intervals.

B. Zero coupon issuances

C. Floating interest, indexed to a reference market rate, either directly or adding a positive or negative margin, which in turn may be fixed or floating and indexed to a reference market interest rate.

D. Indexing the yield according to the following list of Underlying Assets:

a) Interest linked to the performance (positive or negative or both) of shares of companies listed on organised Spanish or foreign markets, or a basket of shares listed on organised Spanish or foreign equity markets.

b) Interest linked to the performance (positive or negative or both) of Spanish or foreign organised equity market indexes, or baskets of organised Spanish or foreign equity market indexes.

c) Interest linked to the performance (positive or negative or both) of fixed income assets, indexes or baskets of fixed income assets or indexes listed on Spanish or foreign fixed income markets.

d) Interest linked to the performance (positive or negative or both) of certificates or baskets of certificates traded on Spanish or foreign organised markets.

e) Interest linked to the performance (positive or negative or both) of commodity or precious metal prices or indexes, or baskets of commodities or precious metals published by internationally recognised information services or public bodies.

f) Interest linked to the performance (positive or negative or both) of energy prices or price indexes (including renewables), or baskets of energy prices or price indexes published by nationally or internationally recognised information services or public bodies.

g) Interest linked to the performance (positive or negative or both) of issuances with a yield indexed to the credit risk of an asset, interest rates or indexes, or a basket of listed assets or indexes (with the exception of those described in points b) and c) above).

h) Interest linked to the performance of a particular currency against another currency on the Spanish market or international currency markets.

i) Interest linked to the performance (positive or negative or both) of futures on any of the assets mentioned above, provided they are traded on organised markets.

j) Interest linked to the performance (positive or negative or both) of Spanish or foreign price indexes published by Spanish or internationally recognised information services.

k) Interest linked to the performance (positive, negative, or both) of Collective Investment Schemes domiciled in OECD countries or baskets of this type of CIS.

l) Interest linked to the performance (positive, negative, or both) of structures with maturity dates that may be one of several previously established dates according to the performance of the underlying.

m) Interest linked to the performance (positive or negative or both) of any other Underlying Assets for which a valuation can be made and the price of which is published by daily by national or internationally recognised information services, including real estate indexes and securities.

n) Interest linked to the combination of fixed interest rates and floating interest rates, or floating interest rates and interest linked to the performance of the aforementioned assets.

o) Specific issuances may also be made where the yield is determined using a variety of combinations or variations in the formulae defined above.

The gross interest receivable on each interest payment date will be calculated using the following basic formulae:

1. If the issuance generates only periodic coupons:

$$C = \frac{N * i * d}{Base * 100}$$

where:

C = Gross amount of the periodic coupon
N = Nominal amount of the security
i = Nominal annual interest rate
d = Days elapsed between the Start Date of the Interest Accrual Period and the Payment Date for the related coupon, computed on the agreed Base and using the applicable business day convention
Base = Calculation base used for each issuance, indicating the number of days in the year for the purpose of calculating annual interest

2. If the issuance generates periodic coupons and a redemption premium at maturity, the last coupon must be calculated adding the redemption premium payable at maturity.

3. For zero coupon issues the gross yield will be determined by the difference between the cash value and the nominal amount. The formula for calculating the cash value is as follows:

For securities with a maturity of more than one year:

$$E = \frac{N}{(1+i)^{(n/base)}}$$

where:

E = Cash value of the security
N = Nominal amount of the security
i = Nominal annual interest rate
n = Remaining days to maturity of the security, computed on the agreed Base and using the applicable business day convention
Base = Calculation base used for each issuance, indicating the number of days in the year for the purposes of calculating annual interest

4. Issuances indexed to the performance of Underlying Assets

The gross interest receivable on interest payment dates will be calculated using the following formulae:

a) For issuances indexed to the performance of an underlying asset:

- where indexed to a positive performance:

I= N*Min{Y%, Max (P%*((Pf-Pi)/Pi)),X%)}

- where indexed to a negative performance:

I= N*Min{Y%, Max (P%*((Pi-Pf)/Pi)),X%)}

b) For issuances indexed to the performance of a basket of underlying assets:

- where indexed to a positive performance:

$$I = N * Min\left[Y\%, \mathrm{Max}\left[P\%\left(N1\% * \frac{Pf1 - Pi1}{Pi1} + N2\% * \frac{Pf2 - Pi2}{Pi2} + ... + Nn\% * \frac{Pfn - Pin}{Pin} \right), \mathrm{X}\% \right]\right]$$

- where indexed to a negative performance:

$$I = N * Min\left[Y\%, \mathrm{Max}\left[P\%\left(N1\% * \left(\frac{Pi1 - Pf1}{Pi1} \right) + N2\% * \left(\frac{Pi2 - Pf2}{Pi2} \right) + ... + Nn\% * \left(\frac{Pin - Pfn}{Pin} \right) \right), \mathrm{X}\% \right]\right]$$

Where:
I = Interest or yield on the security issued
N = Nominal amount of the security issued
X% = Minimum yield for the security holder
Y% = Maximum yield for the security holder
P% = Percentage held by the security holder in the difference between the Initial Value/Price and Final Value/Price of the Underlying Asset
Pi = Initial Value/Price of the Underlying Asset
Pf= Final Value/Price of the Underlying Asset
N% - Percentage held of each component of the basket making up the Underlying Asset, considering that N1%+N2%+...+Nn% = 100%

The Initial Price and/or Final Price of the Underlying Asset may be a value at a specified date or an average value, or the maximum/minimum value at various specified dates.

If the issuance is indexed to the performance of an Underlying Asset and any of the following **structures**, the gross interest or coupon receivable will be:

- **Bullish digital coupon**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment
Coupon A is greater than Coupon B

Bearish digital coupon
Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment
If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment
Coupon A is greater than Coupon B

- **Digital memory coupon**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

If t=1; Coupon A=XX% x Nominal amount of the investment x 1
If t=2; Coupon A=XX% x Nominal amount of the investment x 2
If t=3; Coupon A=XX% x Nominal amount of the investment x 3
…………..
If t=N; Coupon A=XX% x Nominal amount of the investment x N

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Digital memory coupon (eliminating coupons received)**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:**:**

If t=1; Coupon A=XX% x Nominal amount of the investment x 1
If t=2; Coupon A=XX% x Nominal amount of the investment x 2 – coupons received in previous periods

If t=3; Coupon A=XX% x Nominal amount of the investment x 3 – coupons received in previous periods

…………..

If t=N; Coupon A=XX% x Nominal amount of the investment x N – coupons received in previous periods

- **Price appreciation coupon**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula::

$$\text{Coupon A} = \text{Nominal amount of the investment x Min}\left[\text{Y\%}, \text{Max}\left[\text{P\%}\left(\frac{\text{Pf}_t - \text{Pi}}{\text{Pi}}\right); \text{X\%}\right]\right]$$

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Capped price appreciation coupon**

Provided that the Product is valid, it will pay a coupon, at the corresponding Payment Date (t), in accordance with the following formula**:**

$$\text{Cupón} = \text{N} * \text{Min}\left[\text{Y\%}, \text{Max}\left[\text{P\%} * \text{Max}\left(\frac{\text{PR1} - \text{Pi}}{\text{Pi}}; \frac{\text{PR2} - \text{Pi}}{\text{Pi}}; ......; \frac{\text{PRN} - \text{Pi}}{\text{Pi}}\right); \text{X\%}\right]\right]$$

where PR is the Reference Price (T) at each Reference Price Determination Date (T), for T=1,…,N

- **Price appreciation coupon on absolute variation**

Provided that the Product is valid, if the absolute variation in the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula::

$$\text{Coupon A} = \text{Nominal amount of the investment x Min}\left[\text{Y\%}; \text{Max}\left[\text{P\%}\left(\frac{|\text{Pf}_t - \text{Pi}|}{\text{Pi}}\right); \text{X\%}\right]\right]$$

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Price appreciation coupon with knock-out**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, which could be zero, calculated according to the following formula:**:**

Coupon A=YY% x Nominal amount of the investment

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or lower than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, calculated according to the following formula**:**

$$\text{Coupon B} = \text{Nominal amount of the investment x Min}\left[\text{Y\%; Max}\left[\text{P\%}\left(\frac{\text{Pf}_t - \text{Pi}}{\text{Pi}}\right);\text{X\%}\right]\right]$$

- **Price depreciation coupon with knock-out**

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, which could be zero, calculated according to the following formula::

Coupon A=YY% x Nominal amount of the investment

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, calculated according to the following formula:

$$\text{Coupon B} = \text{Nominal amount of the investment x Min}\left[\text{Y\%;Max}\left[\text{P\%}\left(\frac{\text{Pi-Pf}_t}{\text{Pi}}\right);\text{X\%}\right]\right]$$

- **Outperformance coupon**

Provided that the Product is valid**, two groups of underlying's are established;**
Group A = (Underlying A(1); Underlying A(2);………;Underlying A (n))
Group B = (Underlying B(1); Underlying B(2);………;Underlying B (m))
If at any of the Reference Price Determination Dates (T), for T=1,…,N, the following condition is met:

$$\text{Min}_{i=1\ldots n}\left[\left(\frac{\text{UnderlyingA(i,T)}}{\text{UnderlyingA(i,0)}}-1\right)\right] \geq \text{Max}_{i=1\ldots m}\left[\left(\frac{\text{UnderlyingB(i,T)}}{\text{UnderlyingB(i,0)}}-1\right)\right]$$

That is, if the percentage change in the price of the worst-performing underlying in group A is equal to or higher than the percentage change in the worst-performing underlying in group B, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment

Otherwise, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Outperformance price appreciation coupon**

Provided that the Product is valid**, two underlyings are established;** Underlying A and Underlying B
If at one or all (as indicated in the Final Terms) of the Reference Price Determination Dates (T), for T=1,…,N, the following condition is met:

$$\left[\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}-1\right)\right]\geq\left[\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyingB(0)}}-1\right)\right]$$

That is, if the percentage change in the price Underlying A is equal to or higher than the percentage change in Underlying B, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon A, calculated according to the following formula:

$$\text{Coupon A} = \text{Nominal amount x Min}\left[\text{Y\%; Max}\left[\text{P\%}\left(\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}\right)-\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyingB(0)}}\right)\right);\text{X\%}\right]\right]$$

Otherwise, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Range accrual coupon**

For one or more underlying/s, where S=1.2.3,...,n, provided that the Product is valid, it will pay, at the corresponding Payment Date (t), for t=N, a Coupon A, in accordance with the following formula**:**

Coupon A= Nominal amount of the investment x (Coupon$_{(1)}$+ Coupon$_{(2)}$+……+ Coupon$_{(n)}$)

where:

$$\text{Coupon}_{(1)}=\text{CA\%x}\left(\frac{n_{(i)}}{N_{(i)}}\right)$$

Where:
CA%=Target accrued coupon.
i=Observation period (1.2,…,N)
$n_{(i)}$=number of observations in the observation period (i) that are trading days for the underlying's, s=1.2.3,…,n, where the Reference Price (PR) of each and every underlying is equal to or higher than its Low Coupon Barrier (XX% of its Initial Price) and/or equal to or lower than its High Coupon Barrier (YY% of its Initial Price).
$N_{(i)}$=total number of observations in the observation period (i) that are trading days for the underlying's, s=1.2.3,…,n.
If both the aforementioned Coupon Barriers exist, the Low Coupon Barrier XX% will always be lower than the High Coupon Barrier YY%.
Observations in the observation period may be daily, weekly, monthly, yearly, etc…

- **Digital cliquet coupon**

Provided that the Product is valid, it will pay a Coupon A, at the corresponding Payment Date (t), in accordance with the following formula:

Coupon A=XX% x Nominal amount of the investment

Provided that the sum of the variations at each Reference Price Determination Date (limited to a maximum of NN%) of the Underlying is equal to or higher than 0%, in accordance with the following formula:

$$\sum_{i=1}^{N} \min\left(NN\%; \frac{PR(i+1) - PR(i)}{PR(i)} \right)$$

where:
Reference Price (PR(i)): Official Closing Price of the Underlying at each Reference Price Determination Date, for i=1.2.3,…,N.
Otherwise:
Coupon B=YY% x Nominal amount of the investment
The N variations in the Underlying are calculated, which may be positive or negative.
Positive variations in excess of NN% are replaced with an NN%.
Negative variations are recognised at value, without limit.

If the sum of the positive and negative variations is equal to or higher than 0, the customer will receive a Coupon A. If the sum of the positive and negative variations is lower than 0, the customer will receive a Coupon B, which could be zero.

- **Lock-in coupon**

Provided that the Product is valid, if the Reference Price of the Underlying at the Reference Price Determination Date (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay on the corresponding Payment Date, and subsequent Payment Date, a Coupon A, calculated according to the following formula, and the Underlying Price observation will no longer be required on subsequent Reference Price Determination Dates or Final Price Determination Dates:

Coupon A=XX% x Nominal amount of the investment

Otherwise the Product will pay no coupon at the Payment Date (t), and the Reference Price will be observed at the second Reference Price Determination Date.

- **Lock-in memory coupon**

Provided that the Product is valid, if the Reference Price of the Underlying at the Reference Price Determination Date (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay on the corresponding Payment Date, and subsequent Payment Date, a Coupon, calculated according to the following formula, and the Underlying Price observation will no longer be required on subsequent Reference Price Determination Dates or Final Price Determination Dates:

If PR(t) ≥ Capital Barrier in	Payment Date t=1	Payment Date t=2	Payment Date t=3	Payment Date t=...N
t=1	XX% * (INI)	XX%*(INI)	XX%*(INI)	XX*(INI)
t=2	0%	2*XX%*(INI)	XX%*(INI)	XX*(INI)
t=3	0%	0%	3*XX%(INI)	XX*(INI)
...				
t=N	0%	0%	0%	N*XX*(INI)

Where INI=Nominal amount of the investment.

If the Reference Price of the Underlying at none of the Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of the Initial Price), the Product will pay, at the corresponding Payment Date, a Coupon, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

- **Asian option**

Provided that the Product is valid, it will pay a Coupon A, at the corresponding Payment Date (t), in accordance with the following formula:

Coupon A=XX% x Nominal amount of the investment

Where the yield is the average gain made by the underlying (based on regular observations) with respect to the initial reference price

$$\mathrm{Y}ield = \mathrm{Min}\left[\mathrm{Y\%};\mathrm{Max}\left(\mathrm{P\%}*\left(\frac{\frac{1}{\mathrm{N}}\sum_{\mathrm{i}=1}^{\mathrm{N}}\mathrm{PR}_{(\mathrm{i})}}{\mathrm{PI}}-1\right);\mathrm{X\%}\right)\right]$$

where:
Periodic Reference Price (PR(i))=Official Closing Price of the Underlying at each Reference Price Determination Date, for i=1.2.3,…,N.

- **Mixed coupon**

Provided that the Product is valid, for a percentage (ZZ%) of the nominal amount of the investment, the Product will be partly redeemed at the corresponding Partial Redemption Date and pay at the Fixed Coupon Payment Date, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment x ZZ%

For this percentage (ZZ%), the structure will function like a fixed income issue, guaranteeing a specific coupon at the Partial Redemption Date.
For a percentage (1-ZZ%) of the Nominal amount of the investment, the structure will function like a structured issuance as described in Appendix VII.

- **Guaranteed coupons**

For any type of structure, one or more coupons of XX% x Nominal amount of the investment payable at one or more predetermined dates can be guaranteed.

- **Common provisions**

Any of the yield formulae indicated above or the redemption structures contained in Appendix IV may be indexed to:

a) a single reference rate, security, index or asset,
b) a basket of these,
c) the best-performing component in a basket, defined as:

For various underlying's (i), where i=1.2,…,n

The best-performing asset in a basket meets the following conditions:

$$\mathrm{Max}_{i=1,2...n}\left[\left(\frac{\mathrm{Underlying(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$$

d) the worst in a basket, defined as:

$$\mathrm{Min}_{i=1,2...n}\left[\left(\frac{\mathrm{Underlying(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$$

Further, any of the references described above may be combined and therefore there may be differences between the yield formula and the early or final redemption structure. This means that the reference used for the yield formula may be the same or different from the reference used for the redemption formula.

The Initial Price and/or Final Price of the Underlying Asset may be a value at a specified date or an average value, or the maximum/minimum value at various specified dates.

Examples of yield calculations indexed to the worst performing asset in a basket

(i) "Worst of" digital coupon

For various Underlyings (i), where i=1.2,…n
Provided that the Product is valid, if the Reference Price of each and every one of the Underlyings at any Reference Price Determination Date (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of the Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment

If the Reference Price of the worst-performing Underlying at any Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of the Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Where the worst-performing Underlying= $\mathrm{Min}_{i=1,2\ldots n}\left[\left(\frac{\mathrm{Underlying(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$

(ii) "Worst of" capped price appreciation coupon

For various Underlyings (i), where 1.2,…n.
Provided that the Product is valid, if at the Final Price Determination Date, the reference price for each and every one of the Underlyings is equal to or higher than their respective Initial Price, the Product will pay, at the corresponding Payment Date (t), a Coupon A, calculated according to the following formula:

$$\mathrm{Coupon\,A} = \mathrm{Min}\left[\mathrm{NN\%};\mathrm{Min}_{i=1,2\ldots n}\left(\frac{\mathrm{Underling(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$$

This means it will pay the return of the worst-performing underlying with a cap of NN%.
If, at the Final Price Determination Date, the reference price for any of the Underlyings is lower than its respective Initial Price, the Product will pay, at the corresponding Payment Date (t), a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

To calculate the payments to be made for securities where the yield is determined by a combination of fixed and/or floating interest rates and indexing to the performance of the assets mentioned above, a combination of the aforementioned formulae would also be applied.

Establishing the specific yield on the issuances to be made, in addition to the reference rates, securities, indexes or assets to which this yield is indexed, their official denomination, form, time of determination and calculation, advertising, any caps and floors set, initial prices or values, final prices or values, valuation dates, barriers, information on underlying assets, frequency of coupon payments, and other specific parameters necessary to establish the rights of subscribers or holders of each issuance and other key characteristics to establish the yield and features of the securities to be issued, in addition to their general description, will be included in the Final Terms of each issuance.

In cases where reference to an index is used to calculate the nominal interest rates, the Final Terms will indicate (i) where this index is registered and (ii) the identity of its provider or sponsor.

4.7.2. Provisions relating to interest payable

The gross amount of the coupons will be calculated in accordance with the formulae shown in the previous section.

The issuances may generate a yield through the payment of periodic coupons (fixed or variable, based on a reference rate), payment of a single coupon at maturity, in zero coupon form (the yield being paid in one go at maturity, as the difference between the purchase price and the guaranteed redemption amount at maturity), or through payment of periodic coupons combined with subscription or redemption premiums.

Reference prices, values or levels of rates, indexes, currencies or assets, in the case of issuances where the yield is indexed to these, will be published, having established the yield on the corresponding term, at the sole discretion of the Issuer and in accordance with prevailing legislation, in the official gazettes of the stock markets or secondary markets where the securities are traded, or on notice boards in the Issuer's branch network. This will be indicated in the Final Terms of each issuance.

For issuances aimed at retail investors, the interest accrued and settled will be calculated using the Act/365 convention, unless indicated otherwise in the corresponding Final Terms, while for issuances aimed at wholesale investors the convention will be established in the corresponding Final Terms.

The clearing and settlement of payments will be made through Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de valores (IBERCLEAR), with registered offices in Madrid, Plaza de la Lealtad, 1. The Issuer also undertakes to provide clearing and settlement of the securities through the international systems EUROCLEAR and/or CLEARSTREAM Luxembourg for any investors so requesting, which will be included in the Final Terms.

4.7.3. Interest accrual date

Interest accrual dates will be specified in the Final Terms.

4.7.4. Interest due date

Interest payment dates, in addition to the specific mention of any irregular periods and amounts, will be established in the Final Terms.

The Final Terms will also establish the relevant calendar for payments in relation to the issuance.

4.7.5. Time limit on the validity of claims to interest and repayment of principal

As a general rule and in accordance with articles 1964 and 1966 of the Civil Code, the right to claim interest expires after five years, counting from the due date. The right to claim repayment of principal of the securities will also lapse five years after the due date.

Mortgage covered bonds and mortgage bonds, and public sector covered bonds are covered by the provisions set down in the corresponding Appendix to this Base Prospectus.

4.7.6. Statement of the type of underlying

When the Final Terms do not establish a fixed rate, but one that is floating, indexed or where yields depend on any of the structures described in section 4.7.1 above, the underlying may be any of those established in section 4.2.2 of Appendix IV.

4.7.7. *Description of the underlying*

The description of the underlying or underlyings will be included in the Final Terms of each issuance.

4.7.8. *Description of the method used to link the underlying and nominal interest rate*

The formula included in subsection 4.7.1 relating to the case where the issue generates periodic interest payments (with or without a redemption premium at maturity) or the return is linked to an underlying or depends on one or other of the structures mentioned in said subsection will be included in the Final Terms and, where applicable, completed.

In the case of floating-rate coupons or where yields are indexed to an underlying, the nominal interest rate applicable in this formula will be calculated, where applicable, as the addition of the margin to the established reference interest rate. The maximum and minimum rates will be included in the Final Terms.

In addition to the interest rate calculation dates and rounding specifications.

4.7.9. *Indicate of where information can be obtained on the past and future performance of the underlying and its volatility*

The Final Terms of each issuance will contain a description of the underlying or underlyings to which the securities' yields are indexed, in addition to where information can be found on the past performance of the underlying asset and its volatility.

However, it should be noted that past performance is not a guarantee of future returns and the development of the underlying assets could be influenced by various factors that are not projected by its past performance.

4.7.10. *Description of market or settlement disruptions that could affect the underlying asset*

In floating-rate issuances indexed to the Euro Interbank Offered Rate for the Euro (Euribor), the rate indicated in the Final Terms will be taken from the Reuters EURIBOR01 Page (or any successor thereto as the "Relevant Screen"). If this screen page (or any successor thereto) is not available, the Relevant Screen will be, in this order, the electronic information pages offering EURIBOR rates (published by the European Banking Federation) belonging to Telerate, Bloomberg or any other page that may be created and that is customarily used in the market to reflect the Euro Interbank Market.

If the issuance is in an OECD country currency other than the Euro, the reference rate will be taken from the Relevant Screen for that currency. The Relevant Screen will be specified in the corresponding Final Terms.

Unless stated otherwise in the Final Terms of the issuance, the interest rate will be set at 11:00 am (BST for LIBOR rates, CET for EURIBOR rates, and the time zone of the relevant financial centre for other rates) two TARGET2 business days before the first day of each interest period (the "interest calculation date").

If it is not possible to obtain the established rate, the replacement reference interest rate will be used, which is the simple arithmetic mean of all interbank interest rates offered for non-transferrable deposit transactions in the issuance currency, for the corresponding term, at the interest rate calculation date, published by four (4) recognised banking institutions designated by the Calculation Agent for each issuance, and set down in the Final Terms.

If it is not possible to apply the replacement reference rate above, due to one of the banks not providing a continuous stream of prices, the interest rate used will be the simple arithmetic mean of the rates published by at least two (2) of these institutions.

If none of the rates mentioned above cannot be obtained or are missing, the reference interest rate applied in the last Interest Accrual period will be used, following by those of successive accrual periods until the situation is resolved.

4.7.11. Rules for adjusting the underlying instrument

When the underlying is a reference interest rate, see section 4.7.10 above.
For all other underlyings, see section 4.2.4 of Appendix IV.

4.7.12. Calculation Agent

The Final Terms of each issuance will state the details of the entity, if any, that acts as Calculation Agent for the securities of that issuance.

4.7.13. If the security has a derivative component in the interest payment, provide a clear and comprehensive explanation to help investors understand the extent to which the value of their investment may be affected by the value of the underlying instrument or instruments

When the performance of the issuance is linked to the performance of an underlying instrument, the yields to be received by the investor will not be predefined. Therefore, investors will not know yield offered by the instrument before they invest. See Appendix IV and section 4.7.1 above for details relating to each structure.

4.8. Maturity date and redemption methods

4.8.1. Maturity date

The maturity date will be included in the Final Terms

4.8.2. Redemption methods

The redemption procedures applicable to the securities issued will be established in the Final Terms, and are subject to the following general rules:

The securities will be redeemed either in one go at maturity or, before maturity, either partially through reduction of the nominal value of the securities, or through redemption of the securities that CaixaBank holds in treasury, in accordance with prevailing legislation, or through total redemption. The redeemed securities will be returned to investors on the dates specifically determined in the Final Terms of the issuance in question. The maturity date may under no circumstances be less than five years, in the particular case of subordinated securities eligible as own funds, nor more than 50 years.

The securities will be redeemed at, above or below par, the latter only in the case of structured bonds and notes, as provided in the issuance memorandum, and specified in the Final Terms. However, if CaixaBank were to become unviable (or close to becoming unviable), it is possible that (i) the senior bonds and notes, structured bonds and notes and subordinated securities could be included in a bail-in process; and/or (ii) the subordinated securities could be redeemed and converted into shares, independently of any resolution option, as part of the bail-in process, in accordance with prevailing legislation.

In the event of early redemption with an explicit coupon, the Issuer will pay the investor the amount corresponding to the accrued interest and the corresponding principal.

If the issuance memorandum provides for the possibility of early redemption of the securities by the Issuer or by investors, the nominal amount and price of this early redemption will be specified in the Final Terms. The redemption will be made in accordance with the following rules:

a) Early Redemption at the option of the Issuer

The Issuer may exercise the full or partial early redemption of any securities of which it is in legal possession. If redeemed on the market, any buy back of securities by the Issuer must be effected in accordance with prevailing legislation.

Further, where the Final Terms of an issuance allow for early redemption by the Issuer, the Issuer may, upon a minimum of five days' notice to that effect, redeem all the securities of the Issuance in question (unless the Final Terms allow for partial redemption) for the agreed amount ("Redemption Price"), whether at any time during the life of the Issuance or on one or more specified dates, at a price or prices determined in the Issuance conditions, in accordance with the Final Terms and up to the limits stipulated therein, and subject to the legislation governing the securities at all times and with the prior approval of the competent authority, when required.

The notice referred to in the previous paragraph will be given to the CNMV, the Paying Agent, the governing body of the secondary market on which the securities are admitted to trading, the entity responsible for registering the securities, and the holders of the securities (the latter exclusively at the discretion of CaixaBank), and also, under current legislation, via publication in the official gazettes of the secondary markets on which the securities are traded and on the notice boards of the CaixaBank branch network, and must be signed by a duly empowered representative of the Issuer.

The notices must specify:

i) Details of the issuance called for redemption,
ii) The global nominal amount to be redeemed,
iii) Effective date of early redemption, which will be a business day for the purpose of the market in which the securities are traded,
iv) Redemption price, and
v) The interest accrued up until the Redemption Date.

The notice will be irrevocable and will be binding on the Issuer on the terms contained therein.

<u>Early Redemption for Tax reasons</u>

When the Tax Event is determined to be applicable under the corresponding Final Terms, the Issuer may redeem the securities in full, but not in part:

(a) at any time, when the issuance has a fixed interest rate; or

(b) at any Interest Payment Date, when the issuance has a floating interest rate,

giving notice to the instrument holders in accordance with the general procedures and terms established in this section, or, where applicable, any other conditions stipulated in the Final Terms. Early redemption for this reason may be subject to the prior consent of the Regulator and/or Resolution Authority if it is required under Applicable Banking Regulations (including regulations governing MREL) in force at the time, as defined in Appendices I and II.

Meaning of a Tax Event:

A tax event will arise as the result of any change or amendment in Spanish tax law or regulations or those of any of its regional or taxation subdivisions (**Tax Jurisdiction**) or any change in the application or official interpretation of these laws, provided that said change or amendment has entered into force after the pricing date of the issuance:

(i) on the occasion of the next payment due under the securities, the Issuer has or will become obliged to pay additional amounts and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) the Issuer would not be entitled to claim a deduction in computing taxation liabilities in any Tax Jurisdiction in respect of any payment of interest to be made on the securities on the occasion of the next payment date due, or the value of such deduction to the Issuer would be materially reduced; or

(iii) the tax treatment applicable to the securities would be materially affected.

b) Redemption at the option of the securities holder

Where the Final Terms provide for early redemption by the securities holder and the holder exercises this option, the Issuer must redeem the securities on the date(s) specified in the Final Terms as “Date(s) for early redemption by the securities holder”, which may be one or more specified dates or any time during the life of the Issuance. To exercise this option, at least 10 business days’ before the chosen redemption date, the holder of the assets must submit to the Paying Agent written notice of early redemption in the form available from any branch of the Issuer.

However, for issuances of senior bonds and notes, subordinated bonds and notes, mortgage covered bonds, structured bonds and notes, mortgage bonds and public sector covered bonds the provisions set down in the Appendix to this Base Prospectus will apply.

4.9. Indication of investor yield and calculation method

The effective interest rate for subscribers of each issuance will be specified in the Final Terms and will be based on the particular terms of the issuance.

The securities may not give rise to negative yields for the investor, with the exception of structured bonds and notes, where the Final Terms include the possibility of negative yields. Further, if CaixaBank were to become unviable (or close to becoming unviable), it is possible that (i) the senior bonds and notes, structured bonds and notes and subordinated securities, both Tier 2 equity instruments and others, could be included in a bail-in process; and/or (ii) the subordinated securities that are Tier 2 equity instruments could be redeemed and converted into shares, independently of any resolution option, as part of the bail-in process, in accordance with prevailing legislation.

In the case of issuances where future flows are not predetermined, the assumptions used to calculate the yield are described in the respective Final Terms.

For all issuances made under this Base Prospectus the internal rate of return for the subscriber will be calculated using the following formula:

$$P_0 = \sum^{n} \frac{F_j}{\left(1 + \frac{r}{100}\right)^{\left(\frac{d}{Base}\right)}}$$

where:
P0 = Issue price of the security
Fj = Gross collection and payment flows over the life of the security
r = Effective annual yield or IRR
D = Number of days elapsed between the accrual start date of the coupon and the payment date
n = Number of flows of the issuance
Base = Interest calculation base according to the Final Terms

4.10. <u>Representation of the security holders</u>

For issuances of senior bonds and notes, subordinated bonds and notes, mortgage covered bonds, structured bonds and notes, mortgage bonds and public sector covered bonds where it has been expressly agreed that when, in accordance with prevailing legislation, the provisions of Chapter IV of Title XI of the restated text of the Spanish Corporate Enterprises Act, approved by Royal Decree Law 1/2010, of 2 July, are applicable, a syndicate of debt holders or bondholders will be formed, which will be governed by the following articles:

ARTICLES OF ASSOCIATION APPLICABLE TO THE SYNDICATE OF [BOND/NOTE/COVERED BOND] HOLDERS

Article 1.- For the purposes set forth in Royal Decree Law 1/2010, of 2 July, approving the restated text of the Spanish Corporate Enterprises Act (hereinafter, the "Corporate Enterprises Act") and supplementing provisions, this association, known as the SYNDICATE OF BOND/NOTE/COVERED BOND HOLDERS (the "Syndicate") of the "[●] ISSUANCE OF BONDS/NOTES/COVERED BONDS [●] of CAIXABANK, the issuance having been paid up by all holders of the bonds/notes/covered bonds of the "[●] ISSUANCE OF BONDS/NOTES/COVERED BONDS [●] OF CAIXABANK" and the book entries included in the corresponding accounting registers, is hereby formed.

Article 2.- The object of the Syndicate is to unify and safeguard any rights and actions to which the bond/note/covered bond holders may be entitled in order to best defend their interests with regard to CaixaBank (the "Issuer").

Article 3.- The registered address of the Syndicate is [ ]

Article 4.-The term of the Syndicate is the entire life of the issuance until the securities issued have been redeemed in full.

Article 5.- The possession of a single bond/note/covered bond issued implies full acceptance of these Articles of Association and the validly adopted resolutions of the General Assembly of Bond/Note/Covered Bond Holders (hereinafter referred to as the "General Assembly") in the terms set forth in the Corporate Enterprises Act and other applicable provisions.

Article 6.- The governance and administration of the Syndicate are the responsibility of the General Assembly and the representative of the Syndicate (the "Representative").

Article 7.- The Assembly may be convened by the Issuer's Board of Directors or by the Representative. It must necessarily be convened by the Representative at the request of bond/note/covered bond holders representing no less than one-twentieth of the securities issued and outstanding.

Article 8.- The General Assembly must be convened in such a manner as ensures the bond/note/covered bond holders are aware of it.

When the General Assembly is called to discuss matters concerning the amendment of the terms of the Issuance or other matters considered by the Representative to be of similar importance, it will be convened in the manner established in the Corporate Enterprises Act for General Meetings of Shareholders.

In all cases, the meeting call must be published at least one (1) month before the date of the Assembly, clearly stating the date, time and venue of the meeting, and list all the items on the agenda.

The notice may also state the date on which the General Assembly will meet at the second call, if the necessary quorum is not obtained in the first meeting.

Without prejudice to the provisions made above, if the bond/note/covered bond holders that hold all of the outstanding bond/notes/covered bonds are present and decide to hold a General Assembly, it will be deemed valid for all purposes despite not having been convened.

Article 9.- All bond/note/covered bond holders will be entitled to attend the General Assembly, regardless of the number of bonds/notes/covered bonds they may hold, provided they are able to prove their position as such with at least five days' notice prior to the date on which the General Assembly is to be held, by depositing their certificates in the manner stated in the notice of meeting. Bond/note/covered bond holders may attend the General Assembly in person, or through a proxy who is another bond/note/covered bond holder.

Article 10.- The General Assemblies will be held at the Syndicate's registered offices. The incorporating Chairman of the General Assembly will be the Representative appointed in the Final Terms, until the General Assembly selects a Chairman and a Secretary in the terms stated in the Corporate Enterprises Act.

Before the items on the agenda are addressed, a list of attendees will be taken, indicating the status in which they are attending and the number of bonds/notes/covered bonds (of their own or third parties) that they represent. Resolutions will be adopted by the General Assembly Meeting in the manner stated in Article 425 of the Corporate Enterprises Act and for this purpose each bond/note/covered bond holder present or represented will be entitled to one vote. The minutes of the meeting will be approved at the General Assembly, drawn up in the relevant book and will be authorised with the signature of the Chairman and Secretary.

Article 11.- The resolutions adopted in the manner set out in the previous article are binding on all bond/note/covered bond holders, including those who did not attend or who voted against the resolutions, and may be challenged according to the provisions set out in articles 204 et seq of the Corporate Enterprises Act.

Article 12.- With regard to all matters not dealt with in these regulations, the Syndicate will be governed by the provisions of the Corporate Enterprises Act.

Although there is no legal obligation for mortgage covered bonds and public sector covered bonds, and it is discretionary for mortgage bonds, when so established for the issuance and stated in the Final Terms thereof, a syndicate of covered bond holders will be set up as and when the corresponding book entries are made.

The rules applicable to this syndicate are those detailed above, which will apply to each of the issuances in the event of a syndicate being formed.

The appointment of the Representative, in addition to the registered offices of the syndicate, will be established in the Final Terms of each issuance, and he/she will hold all of the powers attributed thereto by the foregoing Articles of Association.

4.11. Resolutions, authorisations and approvals by virtue of which the securities are being issued

The resolutions and agreements by which this Base Prospectus has been drawn up are as follows:

Resolution of the Board of Directors or 24 May 2018 approving the preparation of a Non-Equity Securities Base Prospectus for a maximum nominal amount EUR 15,000,000,000

The term of this agreement, in addition to any other agreement by which this issuance is made, will be specified in the Final Terms.

The provisions set down in the corresponding Appendix to this Base Prospectus will also apply.

4.12. Issue date

The expected issue dates of the securities are established in the Final Terms of each Issuance.

4.13. Restrictions on the free transferability of the securities

Under current legislation there are no particular or general restrictions on the free transferability of the securities that are to be issued under this Base Prospectus, without prejudice to any restrictions deriving from applicable legislation in countries where the securities are to be placed.

For issuances of senior bonds and notes, subordinated bonds and notes, mortgage covered bonds and mortgage bonds, the provisions set down in the Appendix to this Base Prospectus will apply.

4.14. Tax treatment of the securities

The general tax system in force in Spain at any time for issues of fixed income securities will apply to issues carried out under this Base Prospectus. The tax system in force at the time this Base Prospectus was verified is set out below, based on a general description of the system laid down in the Spanish legislation in force, notwithstanding the regional tax systems for economic concord and agreement in force, respectively, in the historic territories of the Basque Country and the Autonomous Community of Navarre, or any other exceptional systems that may apply due to the investor's specific features.

In particular, applicable regulations are established under:

-Personal Income Tax Act 35/2006, of 28 November, partially amending the laws governing Corporation Tax, Non-resident Income Tax and Net Wealth Tax, modified by Act 26/2014, of 27 November, and its implementing Regulations, enacted by Royal Decree 439/2007, of 30 March.

-Royal Decree Law 5/2004, of 5 March, approving the restated text of the Non-resident Income Tax Act and implementing Regulations, approved by Royal Decree 1776/2004, of 30 July.

-Corporation Tax Act 27/2014, of 27 November, and implementing Regulations, approved by Royal Decree 634/2015, of 10 July.

The terms of additional provision one of Act 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, and Royal Decree 1065/2007, of 27 July, approving the General Regulation of actions and procedures for tax administration and inspection and implementing the common rules for tax compliance procedures, according to the wording of Royal Decree 1145/2011, of 29 July, should also be taken into account.

In any case, it is recommended that investors interested in acquiring the securities that are the object of issuances made under this Base Prospectus consult their lawyers or tax advisors, who can give them personal advice in view of their particular circumstances.

A. Investors who are natural or legal persons resident in Spain for tax purposes

If holders are natural or legal persons who are resident in Spain for tax purposes, taxation on any income received will be governed by Personal Income Tax Act 35/2006, of 28 November, and the partial amendments of the laws governing Corporation Tax, Non-resident Income Tax and Net Wealth Tax, and their regulations, approved by Royal Decree 439/2007, of 30 March and Act 27/2014, of 27 November, on Corporation Tax and its regulations, approved by Royal Decree 634/2015, of 10 July, respectively.

In particular, with regard to Personal Income Tax, the gross amount of the coupons and/or the difference between the subscription or acquisition value of the asset and its transfer or redemption price will be considered as investment income deriving from the transfer of equity to third parties. Administration and custody expenses, with the exception of costs relating to the personalised and discretionary portfolio, will be deducted from the gross amount. The net income on the investment income will be included in the savings income tax base, with a withholding rate of 19% in 2018 for the first EUR 6,000, 21% for income between EUR 6,000.01 and EUR 50,000, and 23% for income over EUR 50,000.

With regard to Corporation Tax, the gross amount of the coupons and/or the difference between the subscription or acquisition price of the asset and its transfer or redemption price will be considered as a capital return. This investment income will be included in the tax base, subject to a general a withholding of 25% in 2018.

Investment income is subject to the withholding rate in force at any time (19% in 2018), applied by the Issuer or the financial institution responsible for the transaction, or the notary public involved in the case.

A.1. Exception to the obligation to withhold for legal persons

Notwithstanding the general system set out in the previous paragraphs, article 61.q) of the Corporation Tax Regulations states that issues are exempt from withholding for income obtained by legal persons resident in Spain when it comes from financial assets that meet the conditions of being represented by book entries and being traded on an official Spanish secondary stock market or the alternative fixed income market. In these cases, the exception to the obligation to withhold is applied both when the coupon is paid and, when applicable, on the investment income from securities that may arise when the securities are transferred or redeemed.

A.2. Exception to the obligation to withhold for natural persons

Article 75.3.e) of the Personal Income Tax Act states that income obtained by natural persons resident in Spain from the transfer or redemption of financial assets with an explicit yield are exempt from withholding, provided it is represented by book entries and traded on an official Spanish secondary stock market.

However, the part of the price equivalent to the coupon elapsed in transfers of assets carried out within thirty days immediately prior to the maturity of the coupon is subject to withholding, when the acquirer is a person or company that is not resident in Spanish territory or is a payer of Corporation Tax, and the explicit yields from the securities transferred are exempt from the obligation to withhold in relation to the acquirer.

A.3. Net Wealth Tax

Pursuant to Royal Decree Law 3/2016, of 2 December, adopting tax measures aimed at consolidating public finances and other urgent social measures, for 2018 and in accordance with the regulations governing Net Wealth Tax, without prejudice to any specific regulations approved and implemented by each Autonomous Region, natural persons resident in Spain will be subject to Net Wealth Tax on any net amount exceeding EUR 700,000 subject to a tax scale with marginal rates ranging from 0.2% to 2.5%.

Legal persons resident in Spain are not subject to the Wealth Tax.

A.4 Inheritance and Donation tax

Pursuant to Act 29/1987, of 18 December, on inheritance and donation tax, acquisitions for profit made by natural persons will be subject to this tax according to the terms presented therein. In some Autonomous Regions there are exemptions or reductions in place, which should be consulted.

In the case of transfers to a payer of Corporation Tax, the income obtained will be taxed under Corporation Tax rules, and the Inheritance and Donations tax will not apply.

B. Investors not resident in Spain for tax purposes

B.1 Investors not resident in Spanish territory who operate through a permanent establishment

In the case of non-resident investors who operate through a permanent establishment in Spain, the income generated by the issuances carried out under this Base Prospectus is income that must be included in the taxable base for Non-resident Income Tax, the calculation of which is laid down in article 18 of the restated text of the act that regulates the aforementioned tax. For the purposes of withholdings, such income will follow the criteria laid down for legal persons resident in Spanish territory described in the previous section.

B.2. Investors not resident in Spanish territory who operate without a permanent establishment

In general terms, the interest and yields obtained by non-resident investors are subject to taxation under Non-resident Income Tax, with the exception of investors resident in a member state of the European Union, where the income they receive from the issuances carried out under this prospectus is not taxable in Spain. Therefore, income obtained will not be subject to withholdings for this tax.

Interest and yields received by residents in non-EU countries with which Spain has an agreement in place to avoid double taxation, will be taxed according to the terms of that agreement.

In order to adhere to and apply the exemption from withholding or tax reduction under such an Agreement, before payment the non-resident holder must submit a "Certificate of Tax Residence" issued by the tax authorities in their country of residence, valid for one year after its issue date. If they fail to comply with the procedure established and withholdings are applied to the income obtained by non-resident investors, they may apply to the Spanish authorities for a refund of the amount deducted, in accordance with established procedures.

For residents in other countries and residents of EU countries or with an agreement with Spain without a "Certificate of Tax Residency", the interest and yields on transfers and redemptions are taxed under Non-resident Income Tax as investment income at a rate of 19%.

However, for securities issued under the provisions of Act 10/2014, income obtained by non-resident investors in Spain that operate in the country without a permanent establishment will be exempt from Non-resident Income Tax. Therefore, income obtained will not be subject to withholdings for this tax. For the purposes of this exemption from withholding for investors that are not resident in Spain and do not operate through a permanent establishment in this country, certain disclosure obligations must be met with regard to the identity of the holders of the securities pursuant to additional provision one of Act 10/2014 and in accordance with articles 43 and 44 of Royal Decree 1065/2007 of 27 July, approving the General Regulation on actions and procedures for tax administration and inspection and implementing the common rules for tax compliance procedures, according to the wording of Royal Decree 1145/2011, of 29 July. Failure to comply with these disclosure obligations will mean the Issuer has to apply a withholding of 19%.

B.3. Net Wealth Tax

Without prejudice to any international double taxation agreements signed by Spain, and for 2018, natural persons who are not habitually resident in Spain in accordance with article 9 of the law governing Personal Income Tax and who at 31 December are owners of assets situated in Spain or holders of exercisable rights or obligations will be subject to Net Wealth Tax. These assets and rights will be subject to the Net Wealth Tax, although tax payers may make the corresponding reductions to the minimum exemption of EUR 700,000, applying the corresponding general tax scale with marginal rates ranging from 0.20% to 2.5% in 2018.

Legal persons not resident in Spain will not be subject to the Net Wealth Tax.

B.4. Inheritance and Donation tax

Pursuant to Act 29/1987, of 18 December, governing the tax on inheritance and donations, for-profit acquisitions made by non-resident persons in Spain, regardless of the residence status of the transferor, will be subject to the Inheritance and Donations Tax when the acquisition is of assets located in Spain or rights that may be executed in Spain. In general, the tax payable under the Inheritance and Donations tax on acquisitions made by natural persons not resident in Spain subject to taxation is the same as that paid by resident natural persons, without prejudice to any international double taxation agreements that may be in place.

Companies that are not resident in Spain and do not operate through a permanent establishment in this country do not pay this tax and the income obtained from for-profit acquisitions will be taxed in accordance with Non-resident Income Tax rules, without prejudice to any international double taxation agreements that may be in place.

C. Indirect taxation on the acquisition and transfer of the securities issued

The acquisition, and where applicable, subsequent transfer of the securities of any issuances made under this Base Prospectus, will be exempt from Value Added Tax, and also exempt from the Tax on Capital Transfers and Documented Legal Acts in the terms set down in article 108 of the Securities Market Law.

D. Disclosure obligations

These issuances are subject to disclosure requirements regarding the identity, residency and number of securities held by the beneficial owner of the income from these securities, in accordance with Additional Provision One of Act 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions.

They are also subject to the provisions of article 44 del Royal Decree 1065/2007, of 27 July, approving the General Regulation on actions and procedures for tax administration and inspection and implementing the common rules for tax compliance procedures, according to the wording of Royal Decree 1145/2011, of 29 July.

Royal Decree 1065/2007 specifies two different types of disclosure requirement:

1. For securities registered originally with a securities clearing and settlement house in Spain (i.e. Iberclear), entities that hold their securities in third-party accounts, and entities that manage the securities clearing and settlement systems headquartered abroad that have an agreement in place with the aforementioned settlement house domiciled in Spain, must provide the Issuer at every payment date with a statement containing the following disclosures relating to the securities, based on the information contained in their registers:

    - Identification of the securities.
    - Returns payment dates.
    - Total amount of returns.
    - Amount of returns corresponding to personal income tax payers.
    - Total amount of returns corresponding to each clearing and settlement house.

2. For securities registered originally with a securities clearing and settlement house outside of Spain, recognised for these purposes by Spanish legislation or by that of another OECD member country, the payment agent designated by the Issuer must provide the Issuer at every payment date with a statement containing the following disclosures relating to the securities:

    - Identification of the securities.
    - Returns payment dates.
    - Total amount of returns.
    - Total amount of returns corresponding to each foreign securities clearing and settlement house.

The format of both statements will comply with the provisions set forth in the Appendix of Royal Decree 1145/2011, and must be submitted on the business day prior to each interest maturity date, reflecting the status at the market close on that day.

If any of the entities mentioned above fails to submit the required statement on the date specified above, the issuer or authorised payment agent must pay the liquid amount corresponding to each entity on application of the general withholding rate (currently 19%) to the total return. However, if the entity submits the required statement before the 10th day of the month after the returns deriving from the securities fall due, the Issuer or authorised payment agent may refund any surplus amounts withheld.

As these are securities issued at a discount or segregated, the information relating to returns will be replaced by information relating to amounts to be refunded. However, for income deriving from the redemption of these securities subject to withholding, the statement must also include the amount of such income.

In the case described above, the statement must be submitted to the Issuer or the financial institution appointed by the Issuer to carry out the redemption or repayment.

However, the Issuer may also request the entities appointed to prepare the aforementioned statements in accordance with the model set forth in the Appendix of Royal Decree 1145/2011 (a request that, in the case of securities registered originally with foreign clearing and settlement houses, could extend to foreign clearing houses and their participants), which requires them to provide additional disclosures relating to the identity of the following securities' holders on each payment date:

- Personal income tax payers
- Corporation tax payers
- Non-resident tax payers that obtain income deriving from the securities through a permanent establishment in Spain.

CaixaBank, as Issuer and payer of the returns deriving from ownership of the securities, assumes the responsibility of making the corresponding tax withholdings in Spain, in accordance with prevailing legislation.

5. TERMS AND CONDITIONS OF THE OFFER

5.1. Terms, details of the offering, projected calendar and subscription procedure

5.1.1 Terms of public offerings

The terms of all the offerings made under this Base Prospectus are those described below, and will be supplemented where appropriate and set down in the Final Terms of each issuance.

5.1.2. Maximum amount

The maximum nominal amount will be fifteen thousand million euros (EUR 15,000,000,000) or equivalent in issuances made in other currencies.

The nominal amount and cash amount of the issuance, in addition to the unit nominal amount and cash amount of the securities, and the number of shares will be specified in the Final Terms.

5.1.3 Offering period and description of the subscription process

The term of this Base Prospectus will be one year from the date of its publication on the web site of the Spanish Securities and Exchange Commission, in addition to any required supplements. .

The Issuer agrees to provide the CNMV with at least one supplement to the Base Prospectus, which will include its audited financial statements for 2018 when these are published.

Securities offerings may be made during the term of the Base Prospectus. The subscription period for each issuance will be specified in the corresponding Final Terms. If an issuance allows the initial subscription period to be extended, this will be stated in the Final Terms, along with the procedure to be followed. If there is an extension, the required publications will be made.

The subscription procedures will be specified in the Final Terms.

For public offerings, the subscription process will be described in the Final Terms of each issuance.

5.1.4 Procedure for allotment and placement of the securities

The procedure for the allotment and placement of the securities will be described in the Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.1.5 Minimum and/or maximum subscription amounts

Details of any minimum and/or maximum subscription amounts will be specified in the Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.1.6 Payment and delivery methods and periods

The payment and delivery methods and periods of the securities will be described in the Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.1.7 Publication of results of the offering

The results of the offering will be published in accordance with the provisions set down in the Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.1.8. Procedures for exercising pre-emptive purchase rights

No pre-emptive purchase rights are expected to be associated with any issuances.

5.2. Placement and allotment plan

5.2.1 Categories of investors to which the securities are offered

The categories of investors to which the securities are offered will be specified in the Final Terms.

The securities in the different issuances may be placed exclusively with Qualified Investors or Retail Investors, or through a retail tranche or a qualified tranche. In the latter case, the issuance percentage and number of shares initially allotted to each tranche will be indicated in the corresponding Final Terms.

Similarly, issuances may be carried out in which the securities are offered to both Retail Investors and Qualified Investors in a single tranche. In that case, the placement of the securities with Qualified Investors will follow the placement procedures laid down in the corresponding Final Terms for Retail Investors.

Further, securities issued under this Base Prospectus may be placed in one or several countries at the same time. In this case, if it becomes necessary to make public offerings that require the publication of a prospectus in another EU member state other than Spain, the corresponding notification (passport) will be requested from the member state in accordance with applicable legislation.

If there are any limitations or exclusive tranches for any jurisdiction this will be disclosed in the Final Terms of the issuance.

Details of all potential subscribers that have not been specified at the time of registration of this Securities Note will be specified in the corresponding Final Terms.

Issuances of non-preference senior bonds and notes, subordinated bonds and notes and ordinary senior bonds and notes that are issued in order to meet the minimum requirements for own funds and eligible liabilities ("MREL") of the Issuer and/or its Group ("MREL") and indicated as such in the corresponding Final Terms, will be placed exclusively with qualified investors and/or eligible counterparties and subject to the provisions set down in the respective Appendices with respect to each of the securities to be issued under this Base Prospectus.

5.2.2 Notifying investors of the amount allotted

The process of informing investors of the amounts they have been allotted and whether trading may start prior to this notification will be specified in the Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.3. <u>Prices</u>

5.3.1 Offer price for the securities and calculation method. Costs for the subscriber

The cash amount of the securities in each issuance will depend on the prevailing market conditions when it is launched. Therefore, the issuance may be made at par, the price may exceed 100% of its nominal amount or be lower than this, although under no circumstances may it give rise to negative yields, except in the cases indicated in Appendix IV. Further, if CaixaBank were to become unviable (or close to becoming unviable), it is possible that (i) the senior bonds and notes, structured bonds and notes and subordinated securities, both Tier 2 equity instruments and others, could be included in a bail-in process; and/or (ii) the subordinated securities that are Tier 2 equity instruments could be redeemed and converted into shares, independently of any resolution option, as part of the bail-in process, in accordance with prevailing legislation.

In any case, the cash amount of the securities will be clearly set down in the Final Terms of each issuance.

The issuances to be made under this programme will be free of Issuer fees and expenses for subscribers. Further, CaixaBank, as Issuer, will charge no redemption fee in the issuances. Without prejudice to any fees charged for cash account maintenance, custody and management of securities deposits and the transfer of securities to other entities as established in accordance with prevailing legislation and duly reported to the Bank of Spain and/or the CNMV, as supervisory bodies, and which can be consulted in the corresponding tariff brochures setting down the applicable fees and expenses that entities under the supervision of the Bank of Spain and the CNMV are obliged to publish.

The securities will be issued in book-entry form. The Issuer will bear all the costs of registration in the Central Register of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, SA. (Iberclear) or, where applicable, of the entity responsible for the registration of the issuance. Also, the participants of Iberclear may freely determine the fees and expenses chargeable to the holders of the securities for administration of securities, in accordance with current legislation, provided said fees and expenses have been communicated to the Bank of Spain and the CNMV, where they may be consulted.

5.4. **Placement and underwriting**

5.4.1. Placement entities and participants

The name of the placement entities and coordinators involved in each issuance will be specified in the Final Terms.

Further, the total amount of any fees agreed between the placement entities and CaixaBank will be indicated in Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

5.4.2. Payment agent and depositaries

The payment of coupons and principal in relation to the issuances under this Base Prospectus will be handled by the Payment Agent established in the Final Terms of the issuance. This agent must be able to carry out such duties in relation to the market on which the securities will be admitted to trading.
The name and address of the depositaries will also be specified in the Final Terms, where applicable.

5.4.3 Underwriters and procedure

For issuances with a unit nominal amount of less than EUR 100,000, the name and address of any known Underwriters, where applicable, will be specified in the Final Terms of each issuance. Key details of the agreements, share held by each entity and the global amount of the underwriting and placement fees and legal nature of the underwriting procedure (joint or several) will also be disclosed, in addition to any other relevant details for the investor.

If the entire issuance is not underwritten, the uncovered portion will be indicated.

If the issuance is not fully subscribed, the fees established in the corresponding placement agreements will be adjusted proportionally to reflect the portion effectively placed.

5.4.4. Date of underwriting agreement

The date of any underwriting agreement relating to the issuances to be made under this Base Prospectus will be included in Final Terms of each issuance, when the nominal unit value of the securities is less than EUR 100,000.

6. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

6.1. Applications for admission to trading

The issuances made under this Prospectus will be admitted to trading.

Applications may be made to admit the securities issued under this Base Prospectus to trading on the AIAF Fixed Income Market and/or the stock markets of Madrid, Barcelona, Bilbao and Valencia, and/or other secondary markets of the European Union. Issuances aimed at retail investors admitted for trading on the AIAF may hold a liquidity agreement with one or more Liquidity Providers, the characteristics of which will be specified in the Final Terms of each issuance, and the content of which must be in alignment with the provisions of CNMV Circular 1/2017, of 26 April, on liquidity agreements and any directives, criteria or good practices governing the provision of liquidity published by the CNMV at any given time.

The application for admission to trading in the corresponding market will be specified for each issuance made under this Base Prospectus in its respective Final Terms.

For issuances traded on Spanish markets, and unless specified otherwise in the Final Terms, the Issuer agrees to manage the admission to trading of the securities of the different issuances made under this Base Prospectus to ensure that they are admitted to trading within 30 days from the disbursement date, or the closing date of the subscription period of the corresponding issuance.

For securities admitted to trading in foreign markets within the European Union, the corresponding market rules will be applied, and the corresponding notification (passport) requested, where necessary, from the competent authority of the member state other than Spain, in accordance with applicable legislation. For securities admitted to trading of foreign markets, the maximum period for admission to trading will be determined in Final Terms.

If these time limits are not met, this circumstance and reason for it, and if known, the expected date for admission to trading, will be reported by the Issuer in the form of a statement issued in a national newspaper, having previously informed the CNMV, notwithstanding any potential liability incurred by the entity if it is ultimately held responsible.

Further, the Issuer recognises and agrees to comply with the requirements and terms governing the admission, maintenance and exclusion of securities traded on Spanish markets, in accordance with prevailing legislation and the rules set down by their governing bodies, and with those of any foreign markets on which the securities are listed for trading.

6.2. Regulated markets on which securities of the same class are admitted to trading

The regulated markets on which securities of the same class issued by CaixaBank are admitted to trading will be included in the Final Terms.

6.3. Liquidity Providers

Any entity eligible for this purpose may be asked to carry out the function of liquidity provider.

The Final Terms of each issuance made under this Base Prospectus will specify the liquidity provider used, in addition to the main characteristics of the liquidity agreement signed by this entity and the Issuer, specifically the liquidity spreads, the content of which must be in alignment with CNMV Circular 1/2017, of 26 April, and any directives, criteria or good practices governing the provision of liquidity published by the CNMV at any given time.

In these cases, the liquidity provider must follow, adjusted according to the nature of the securities, the indications set down in CNMV Circular 1/2017, of 26 April, on liquidity agreements, , including:

- Continuous entry of buy and sell order during the trading hours of the market on which the securities are listed

- Establishment of a minimum volume for each buy and sell order they enter in the system.

- The difference between listed buy and sell prices may not be more than 3% higher than the corresponding offer price.

- The agreement must include cases where the liquidity providers are exempt from compliance with their obligations and disclosure requirements of the market in these situations.

The liquidity agreement and exemptions will be specified in the Final Terms of each issuance.

7. ADDITIONAL INFORMATION

7.1. Persons and entities acting as advisors in the issuance

To be specified in the Final Terms.

7.2. Information in the Base Prospectus that has been reviewed by the auditors

Not applicable.

7.3. Other information contributed by third parties

Not applicable.

7.4. Validity of information contributed by third parties

Not applicable.

7.5. Ratings

At the date of registration of the Base Prospectus, the ratings assigned to CaixaBank's long- and short-term senior bond issuances by the main rating agencies are as follows:

Agency	Review date	Short-term rating	Long-term rating	Outlook
Standard & Poor's Credit Market Services Europe Limited	06/04/2018	A-2	BBB+	Stable
Moody’s Investors Services España, SA.	17/04/2018	P-2	Baa2	Positive
Fitch Ratings España, SAU.	03/07/2018	F2	BBB	Positive
DBRS Ratings Limited	12/04/2018	R-1 (low)	A	Stable

The aforementioned credit rating agencies are registered with the European Securities and Markets Authority (ESMA) pursuant to Regulation (EC) 1060/2009 of the European Parliament and of the Council, of 16 September 2009, on credit rating agencies.

As a reference for subscribers, the table below describes the categories used by the rating agencies.

		Moody’s	S&P	Fitch	DBRS	Interpretation
		Aaa	AAA	AAA	AAA	Top credit rating
	Investment category	Aa	AA	AA	AA	Very high credit rating
LONG-TERM	.	A	A	A	A	High credit rating
		Baa	BBB	BBB	BBB	Good credit rating
		Ba	BB	BB	BB	Speculative
		B	B	B	B	Highly speculative
		Caa	CCC, CC, C	CCC, CC, C	CCC, CC, C	High default risk
	Speculative	Ca,C	R, SD, D	RD, D	SD, D	Default

- Moody’s applies numeric modifiers 1, 2 and 3 to each general rating category from Aa to Caa. Modifier 1 indicates that the bond is the upper range of the general rating category; modifier 2 indicates the middle range and modifier 3 indicates the lower range of the general category. Specifically, in the Baa2 rating assigned to CAIXABANK indicates, Baa indicates moderate credit risk (with credit risk understood to be the Issuer's capacity to meet its long-term interest and principal payment obligations), and a moderate capacity to meet its long-term interest and principal payment obligations, and the number 2 indicates that it is the middle range of this rating category.

- S&P and Fitch apply a plus (+) or minus (-) sign in each general rating category from AA to CCC (Fitch to B) to indicate the relative position within the category. The BBB part of the BBB+ rating assigned to CaixaBank by S&P, and the BBB rating by Fitch, indicate a good-to-satisfactory capacity to meet its long-term financial obligations, while the + awarded by S&P shows that it is in the upper range of this rating category.

- DBRS adds (*high*) or (*low*) in its rating categories AA to CD to indicate the relative position within each category. Specifically, an A rating indicates significant capacity to meet long-term debt commitments.

The short-term rating scales used by these rating agencies are the following:

<table>
<tr><td rowspan="6">S
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M</td><td rowspan="5"></td><td>Moody's</td><td>S&P</td><td>Fitch</td><td>DBRS</td><td>Interpretation</td></tr>
<tr><td rowspan="2">P-1
(Prime-1)</td><td>A-1+</td><td>F1+</td><td>R-1 (high)</td><td>Exceptionally high or maximum capacity to meet short-term payment obligations.</td></tr>
<tr><td>A-1</td><td>F1</td><td>R-1
R-1 (low)</td><td>Very high or substantial capacity to meet short-term payment obligations.</td></tr>
<tr><td>P-2
(Prime-2)</td><td>A-2</td><td>F2</td><td>R-2 (high)
R-2
R-2 (low)</td><td>Good capacity to meet short-term payment obligations.</td></tr>
<tr><td>P-3
(Prime-3)</td><td>A-3</td><td>F3</td><td>R-3</td><td>Adequate capacity to meet short-term payment obligations.</td></tr>
<tr><td>Speculative</td><td>N-P
(Not Prime)</td><td>B
C
R, SD, D</td><td>B
C
RD, D</td><td>R-4
R-5
SD, D</td><td>Uncertain capacity to meet short-term payment obligations.
Extremely uncertain capacity to meet payment obligations.
Default on short-term payment obligations.</td></tr>
</table>

Investment category .

The ratings P-2, F2, A-2 and R-1 (low) assigned to CAIXABANK by Moody´s, Fitch, Standard & Poor´s and DBRS respectively, indicate a good capacity to meet short-term financial obligations.

These credit ratings are not a recommendation to buy, sell or own securities. Credit ratings may be revised, suspended or withdrawn at any time by the credit rating agencies responsible for them. Credit ratings are only an opinion and do not mean that potential investors should avoid the need to carry out their own analysis of CAIXABANK as the Issuer. These ratings are also available on CaixaBank's website at:

https://www.caixabank.com/informacionparaaccionistaseinversores/informacioneconomicofinanciera/rating_es.html

This Base Prospectus has been initialled on all pages and signed in Barcelona on 23 July 2018.

On behalf of the Issuer:

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Javier Pano Riera
Chief Financial Officer

APPENDIX I - SENIOR BONDS AND NOTES

All information set down in this Base Prospectus refers to all senior bonds and notes, except for the following disclosures, and governed by the regulations in force at any given time.

3.2 Reasons for the issuance and use of proceeds

The senior bonds and notes will be issued as part of the CaixaBank Group's long-term wholesale financing activity. The net proceeds of the issuances to be made under the Base Prospectus will be used for general purposes and to fund the CaixaBank Group, and if indicated in their corresponding Final Terms, they will be issued in order to meet the minimum requirements for own funds and eligible liabilities of the Issuer and/or its Group ("MREL"), according to regulatory requirements in place.

4.1. Description of the type and class of the securities

Senior bonds and notes are securities representing non-subordinated debt for the Issuer, bearing interest and repayable through early redemption or on maturity.

Under this Base Prospectus, the following may be issued in the category of senior bonds and notes (a) ordinary senior bonds and notes, and (b) non-preference senior bonds and notes.

All references to senior bonds and notes under this Base Prospectus will be understood to be to both ordinary senior bonds and notes and non-preference senior bonds and notes.

Royal Decree Law 11/2017, of 23 June, on urgent financial measures, amending Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies establishes that non-preference senior bonds and notes must meet the following conditions:

(i) They must have a maturity of one year or more;
(ii) They may not be derivative financial instruments nor have embedded derivative financial instruments; and
(iii) The terms and conditions, or where applicable, the issuance prospectus must contain a clause establishing a lower priority of payment than all other ordinary credits, and they will therefore be repaid after all other ordinary credits.

4.2. Legislation governing the securities

Issuances of non-preference senior bonds and notes will be subject, among others, to the provisions of Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies and implementing Royal Decree 1012/2015, Regulation EU 575/2013 of the European Parliament and of the Council, of 26 June 2013, on the prudential requirements of credit institutions and investment services companies and Directive 2014/59/EU and Regulation 806/2014, on the recovery and resolution of credit institutions and investment services companies, and any other applicable legislation governing minimum requirements for own funds and eligible liabilities ("*MREL*").

Non-preference senior bonds and notes may also be issued, when specified in the Final Terms, in accordance with the provisions of the regulations indicated above so that they can be used to meet the minimum requirements for own funds and eligible liabilities of the Issuer and/or its Group.

In any case, issuances of senior bonds and notes will be subject to loss absorption and bail-in powers as established under Directive 2014/59/EU and Regulation 806/2014, in addition to Act 11/2015, and implementing Royal Decree 1012/2015, and any other applicable legislation at any given time.

4.5. Priority of payment

Senior bonds and notes will have no collateral or third-party guarantees. The principal and interest of the senior bonds and notes in these issuances will be backed by all the assets of CaixaBank.

Senior bonds and notes represent unsubordinated and unsecured debt instruments of the Issuer, and in the event of insolvency thereof, their order in the ranking for claims will be that established in prevailing insolvency law at all times. At present:

A. Ordinary senior **bonds and notes would** rank:

(i) Junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds);

(ii) Pari passu to other non-preference ordinary credits in accordance with Royal Decree Law 11/2017, of 23 June, on urgent financial measures, amending Act 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies ("Royal Decree Law 11/2017");

(iii) Senior to ordinary non-preference credits in accordance with Royal Decree Law 11/2017, subordinated loans, regardless of whether or not they are Tier 2 capital instruments, Tier 1 capital or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other instruments that are junior to ordinary senior bonds and notes.

B. Pursuant to Royal Decree Law 11/2017, non-preference senior **bonds and notes are** ranked:

(i) Junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits not classified as non-preference credits in accordance with Royal Decree Law 11/2017, i.e. other ordinary credits specified in article 89.3 of the Spanish Insolvency Act 22/2003, of 9 July (the "Insolvency Act"), including ordinary senior bonds and notes and structured bonds and notes;

(ii) Pari passu to other ordinary non-preference credits pursuant to Royal Decree Law 11/2017;

(iii) Senior to subordinated credits, regardless of whether or not they are Tier 2 capital instruments, Tier 1 capital instruments or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other instruments junior to non-preference senior bonds and notes.

Any interest on senior bonds and notes that has accrued but has not been paid at the date the Issuer declare insolvency will have the consideration established under prevailing legislation, currently ranked as subordinated credits of the Issuer under article 92 of the Insolvency Act.

4.6 Description of the rights attached to the securities and how these rights are executed

Non-preference senior bonds and notes and any ordinary senior bonds and notes, when specified in the Final Terms, may be issued in order to meet the minimum requirements for own funds and eligible liabilities ("MREL") of the entity and/or its Group. For such purposes, the holders of these securities:

(a) **Will not be entitled to exercise any right to compensation** relative to any of the Issuer's rights, credits or obligations, directly or indirectly, and regardless of their source (contractual or otherwise). Therefore, holders of these securities may not exercise or claim any of the rights or claims they may be entitled to or enabling them to demand any type of deduction, set-off, settlement or retention, and it will be considered that they have renounced these rights to the fullest extent permitted under applicable legislation; and

(b) **They will not have the power to step up expected future interest or principal payments, nor claim payment for any past due** amount owed but not paid by the Issuer, and therefore, the failure of the Issuer to meet its obligations will not be deemed to confer on the holder permission to execute such powers, except in the following cases:

   (i) Where an arrangement is made with creditors of the Issuer through a binding court ruling; or

   (ii) An agreement is made to dissolve and liquidate the Issuer by its corporate bodies in accordance with Title X of the Corporate Enterprises Act, or any other regulation in place at the time, excluding any operations to bring about structural changes in mercantile companies pursuant to applicable regulations.

4.8.1 Maturity date

Non-preference senior bonds and notes and ordinary senior bonds and notes issued to meet the minimum requirements for own funds and eligible liabilities of the Issuer and/or its Group ("MREL") and, if indicated as such in the corresponding Final Terms, will have an initial maturity date of at least one year from the effective disbursement date or the minimum or maximum maturity permitted or required under Applicable Banking Regulations (including regulations applicable to MREL).

4.8.2 Redemption methods

Non-preference senior bonds and notes and ordinary senior bonds and notes may be redeemed early by the Issuer in the specific case of an Eligible Liability Event (in the case of ordinary senior bonds and notes, if so indicated in the corresponding Final Terms), in accordance with the following rules:

Eligible Liabilities Event

If an Eligible Liabilities Event occurs as a result of a change (or any pending change which the Regulator considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including regulations applicable to MREL) or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date, the Securities may be redeemed at the option of the Issuer in whole, but not in part, subject to such redemption being permitted by the Applicable Banking Regulations then in force (including regulations applicable to MREL), according to the provisions thereof, and subject to the permission of the Regulator and/or the Relevant Resolution Authority, if and as applicable (if such permission is required) pursuant to such regulations, at any time, giving notice to the holders of the instruments in accordance with the general procedures, terms and channels established in section 4.8.2 of the Base Prospectus or, where applicable, with any others set forth in the corresponding Final Terms.

Eligible Liabilities Event means:

(c) With respect to **ordinary senior bonds and notes**, the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding nominal amount of the securities will not, at some moment prior to the maturity date, meet all the requirements to be considered an eligible ordinary senior instrument for inclusion in the MREL of the Issuer and/or the Group, except when this lack of eligibility for inclusion in MREL is due to:

(i) solely to the fact that the remaining maturity of the securities (or effective remaining maturity where the securities are subject to an Investor Put option, for instance) is less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including regulations applicable to MREL) (or any other regulations applicable in Spain) at the Issuance date; or

(ii) the securities will be bought back by the Issuer or on its behalf; or

(iii) a subordination requirement has been placed by the competent Resolution Authority to allow these securities to be eligible for MREL requirements; or

(iv) the scope for these securities to meet the requirements to be considered eligible under Applicable Banking Regulations (including regulations applicable to MREL) (or any other regulations applicable in Spain) is insufficient.

(d) With respect to **non-preference senior bonds and notes**, the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding nominal amount of the securities will not, at some moment prior to the maturity date, meet all the requirements to be considered an eligible non-preference senior instrument for inclusion in the MREL of the Issuer and/or the Group, except when this lack of eligibility for inclusion in MREL is due to:

(i) solely to the fact that the remaining maturity of the securities (or effective remaining maturity where the securities are subject to an Investor Put option, for instance) is less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including regulations applicable to MREL) (or any other regulations applicable in Spain) at the Issuance date; or

(ii) the securities will be bought back by the Issuer or on its behalf; or

Eligible Liabilities Events include, but are not limited to, cases where this lack of eligibility for inclusion in MREL is due to:

(a) any future legislation in Spain enacting the banking reforms being developed in the EU that differs in any aspect from the proposals for reform published by the European Commission on 23 November 2016 (**draft EU Banking Reform**) (including the case that EU banking reforms may not be fully applied in Spain), or

(b) the official application or interpretation of the EU Draft Banking Reform package or the banking reform processes being developed in the EU implemented in Spain (including any interpretation or ruling handed down by a court or competent authority) differing in any aspect from how it is stipulated in the EU Draft Banking Reform and the Final Terms of the securities.

Applicable Banking Regulations means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency then applicable to the Issuer and/or the Group including, without limitation to, (i) Directive 2013/36/EU of the European Parliament and of the Council, of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (**CRD IV**), (ii) Regulation (EU) 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms (**CRR**); (iii) any other rules governing regulatory capital and/or own funds transposing, or where applicable, implementing Directive CRD IV or the BRRD adopted at any time, including but not limited to, delegated or implementing acts (regulatory technical standards) developed by the European Commission, national laws and regulations, and guidelines and rules issued by the Regulator, the European Banking Authority or any other competent authority, that are applicable to the Issuer (on a standalone basis) or the Group (on a consolidated basis) and establish the requirements that financial instruments must meet in order to be deemed eligible for inclusion as regulatory capital and/or own funds, including but not limited to, Act 10/2014 in its current form, RD 84/2015 in its current form and any other regulation, circular or guidelines executed or developed under CRD IV (**CRD IV Implementing Measures**); (iv) Directive 2014/59/EU of the European Parliament and of the Council, of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment firms or other Directives as may come into effect in place thereof, as transposed in Spain through Act 11/2015 and Royal Decree 1012/2015, in its amended or reformulated version, and including any other implementing regulatory provisions (**BRRD**); and (v) any other regulations, requirements, guidelines or policies of the Regulator and/or Competent Regulatory Authority prevailing, to the extent to which they are applicable in Spain (regardless of whether such requirements, guidelines and policies are legally enforceable or generally or specifically applicable to the Issuer and/or the Group).

Regulations applicable to MREL means, at any time, the directives, laws, regulations, requirements, guidelines and policies relating to MREL, including but not limited to, the BRRD, CRR, CRD IV Implementing Measures and any other regulations, requirements, guidelines or policies relating to MREL, to the extent to which they are applicable in Spain (regardless of whether such requirements, guidelines and policies are legally enforceable or generally or specifically applicable to the Issuer and/or the Group), and in their current version.

MREL means the "minimum requirements for own funds and eligible liabilities" of credit institutions pursuant to the BRRD, established according to article 45 of this regulation (as transposed in Spain, Delegated Regulation (EU) 2016/1450 of the Commission of, 23 May 2016 (the Directive), supplementing Directive 2014/59/EU of the European Parliament and of the Council in relation to regulatory technical standards that specify the criteria of the methodology used to calculate minimum requirements for own funds and eligible liabilities, or any successive requirements under EU legislation or under the corresponding Spanish legislation and implementing regulations.

MREL requirements means the minimum requirements for own funds and eligible liabilities applicable to the Issuer and/or its Group under Applicable MREL Regulations.

Ordinary senior instruments eligible for MREL means an instrument that is considered as an eligible liability for MREL requirements for the purpose of Applicable MREL Regulations, provided these instruments have the same ranking (pari passu) as the Issuer's ordinary senior bonds and notes.

Non-preference senior instruments eligible for MREL means an instrument that is considered as an eligible liability for MREL requirements for the purpose of Applicable MREL Regulations, provided these instruments have the same ranking (pari passu) as the Issuer's non-preference ordinary senior bonds and notes**.**

The **Regulator** means the European Central Bank or such other successor authority exercising primary bank supervisory authority, or any other entity or institution carrying out such duties on its/their behalf (including the Bank of Spain), in each case with respect to prudential matters in relation to the Issuer and/or the Group.

Resolution Authority means the Fondo de Resolución Ordenada Bancaria (FROB), the European Single Resolution Board (SRB) created within the regulatory framework of the Single Resolution Mechanism and/or any other authority with the power to exercise or intervene in the bail-in or loss absorption process and/or redeem and convert shares into other instruments in accordance with regulations governing the resolution of credit institutions.

Without prejudice to the case specified above and to early redemption resulting from a Tax Event, when this is stipulated as applicable, the corresponding Final Terms may specify general redemption options (i.e. options not linked to a specific event) in accordance with prevailing regulations.

4.11. Resolutions, authorisations and approvals by virtue of which the securities are being issued.

When they are issued for this purpose, CaixaBank will perform all the processes and applications required before the corresponding authorities to ensure the full or partial inclusion of the non-preference senior bonds and debenture, and where applicable, ordinary senior bonds and notes as minimum requirements for own funds and eligible liabilities (“MREL”) of the Issuer and/or its Group, in accordance with prevailing regulations.

4.13. Restrictions on the free transfer of the securities

Under prevailing legislation, there are no specific or general restrictions on the free transfer of senior bonds and notes and they may be subsequently acquired by the Issuer itself, by entities belonging to its Group or other entities or persons with the financial support of the Issuer or of its Group, provided this is permitted under Applicable Banking Regulations (including Applicable MREL Regulations) and the prior consent of the Regulator and/or the Resolution Authority has been obtained (if this consent is required under these regulations).

5.2.1 Categories of investors to which the securities are offered

Non-preference senior bonds and notes and ordinary senior bonds and notes that are issued in order to meet the minimum requirements for own funds and eligible liabilities ("MREL") and indicated as such in the corresponding Final Terms, will be placed exclusively with qualified investors and/or eligible counterparties.

APPENDIX II - SUBORDINATED BONDS AND NOTES

All information set down in this Base Prospectus refers to all subordinated bonds and notes except for that relating specifically to these instruments, as described below, and by the specific regulations in force at all times.

3.2 Reasons for the Offer and use of proceeds

The subordinated bonds and notes will be issued as part of the CaixaBank Group's long-term wholesale financing activity. The net proceeds of the issuances to be made under the Base Prospectus will be used for general purposes and to fund the CaixaBank Group, and may be issued to meet the minimum requirements for own funds and eligible liabilities of the Issuer and/or its Group ("MREL"), according to regulatory requirements in place or any other legislation amending or replacing it in the future.

Additionally, Tier 2 subordinated bonds and notes will be issued for consideration as Tier 2 capital instruments, and therefore to be eligible as Tier 2 capital of the Bank and/or the Group, in accordance with prevailing regulations or any other legislation amending or replacing it in the future.

4.1. Description of the type and class of the securities

Subordinated bonds and notes are securities representing non-subordinated debt for the Issuer, bearing interest and repayable through early redemption or on maturity.

Under this Base Prospectus, the following may be issued in the category of subordinated bonds and notes (a) subordinated bonds and notes, and (b) Tier 2 subordinated bonds and notes.

The issuances of Tier 2 subordinated bonds and notes will be made in accordance with the provisions of article 63 of Regulation 573/2013 and/or any other applicable regulation so that they may be used to meet the Tier 2 capital requirements of the Issuer and/or its group.

4.2. Legislation governing the securities

Issuances of subordinated bonds and notes and Tier 2 subordinated bonds and notes will be subject to the provisions of Applicable Banking Regulation at all times, including Applicable MREL Regulations, as described below:

Applicable Banking Regulations means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency then applicable to the Issuer and/or the Group including, without limitation to, (i) Directive 2013/36/EU of the European Parliament and of the Council, of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (**CRD IV**), (ii) Regulation (EU) 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms (**CRR**); (iii) any other rules governing regulatory capital and/or own funds transposing, or where applicable, implementing Directive CRD IV or the BRRD adopted at any time, including but not limited to, delegated or implementing acts (regulatory technical standards) developed by the European Commission, national laws and regulations, and guidelines and rules issued by the Regulator, the European Banking Authority or any other competent authority, that are applicable to the Issuer (on a standalone basis) or the Group (on a consolidated basis) and establish the requirements that financial instruments must meet in order to be deemed eligible for inclusion as regulatory capital, including but not limited to, Act 10/2014 in its current form, RD 84/2015 in its current form and any other regulation, circular or guidelines executed or developed under CRD IV (**CRD IV Implementing Measures**); (iv) Directive 2014/59/EU of the European Parliament and of the Council, of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment firms or other Directives as may come into effect in place thereof, as transposed in Spain through Act 11/2015 and Royal Decree 1012/2015, in its amended or reformulated version, and including any other implementing regulatory provisions (**BRRD**); and (v) any other regulations, requirements, guidelines or policies of the Regulator and/or Competent Regulatory Authority prevailing, to the extent to which they are applicable in Spain (regardless of whether such requirements, guidelines and policies are legally enforceable or generally or specifically applicable to the Issuer and/or the Group).

Regulations applicable to MREL means, at any time, the directives, laws, regulations, requirements, guidelines and policies relating to MREL, including but not limited to, the BRRD, CRR, CRD IV Implementing Measures and any other regulations, requirements, guidelines or policies relating to MREL, to the extent to which they are applicable in Spain (regardless of whether such requirements, guidelines and policies are legally enforceable or generally or specifically applicable to the Issuer and/or the Group), and in their current version.

MREL means the "minimum requirements for own funds and eligible liabilities" of credit institutions pursuant to the BRRD, established according to article 45 of this regulation (as transposed in Spain, Delegated Regulation (EU) 2016/1450 of the Commission of, 23 May 2016 (the Directive), supplementing Directive 2014/59/EU of the European Parliament and of the Council in relation to regulatory technical standards that specify the criteria of the methodology used to calculate minimum requirements for own funds and eligible liabilities, or any successive requirements under EU legislation or under the corresponding Spanish legislation and implementing regulations.

Further, issuances of subordinated bonds and notes and Tier 2 subordinated bonds and notes will be subject to the provisions of Act 11/2015 and Royal Decree 1012/2015, implementing Act 11/2015, on bail-in powers and, in the case of Tier 2 subordinated bonds and notes the power of redemption and conversion.

4.5. Priority of payment

Subordinated bonds and notes will have no collateral or third-party guarantees. The principal and interest of the subordinated notes and bonds included in these issuances will be backed by all the assets of CaixaBank.

CaixaBank will attend to subordinated credits according to the order and proportion established in prevailing insolvency legislation, specifically article 92 of the Insolvency Act (with the exception of subordinated credit with contractual agreement, as described below). Pursuant to this article, subordinated claims are as follows: (i) claims that are filed late or incorrectly; (ii) claims that are classified as subordinated under a contractual arrangement (including subordinated bonds and notes); (iii) interest (including late-payment interest on subordinated bonds and notes); (iv) fines or monetary penalties; (v) claims filed by creditors that have a special relationship with the Issuer; (vi) claims that are damaging to the Issuer in cases where a Spanish jury or court has ruled that the creditor in question has acted in bad faith (cancellation); and (vii) claims deriving from contracts with reciprocal obligations referred to in articles 61, 62, 68 and 69 of the Insolvency Act when the judge rules, following a report from the insolvency practitioners, that the creditor has repeatedly hindered fulfilment of the contract against the interests of the insolvency proceedings..

Pursuant to the Insolvency Act and Additional Provision Fourteen of Act 11/2015, if the Issuer declares insolvency:

(A) **Subordinated bonds and notes** will rank:

(i) Junior to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits (whether or not they are classed as non-preferential credits under Royal Decree Law 11/2017), and any other claims that by law and/or under their own terms, where permitted by law, rank senior;

(ii) Pari passu to the Issuer's different issuances of subordinated bonds and notes, and contractually subordinated bonds that do not make up its additional Tier 1 capital or Tier 2 capital; and

(iii) Senior to securities considered to be Tier 2 capital instruments (which would include Tier 2 subordinated bonds and notes), those with the consideration of Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other subordinated credits that rank junior to subordinated bonds and notes.

Any interest on subordinated bonds and notes that has accrued but has not been paid at the date the Issuer declares insolvency will have the consideration established under prevailing legislation, currently ranked as subordinated credits of the Issuer under article 92 of the Insolvency Act.

(B) **Tier 2 subordinated bonds and notes**, when they have the consideration of Tier 2 capital instruments, will rank junior to the subordinated bonds and notes described in section (A) above.

Therefore, Tier 2 subordinated bonds and notes will rank:

(i) Junior to all the Issuer's preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds) and ordinary credits (whether or not they are classed as non-preferential credits under Royal Decree Law 11/2017), subordinated claims that are not additional Tier 1 capital instruments or Tier 2 capital instruments (including subordinated bonds and notes), and any other subordinated credits which by law and/or their terms and conditions, and to the extent permitted by law, rank senior to Tier 2 subordinated bonds and notes;

(ii) Pari passu to any other of the Tier 2 capital instruments of the Issuer and other subordinated securities that by law and/or under their own terms, and to the extent permitted by law, rank pari passu to Tier 2 subordinated bonds and notes; and

(iii) Senior to Tier 1 capital instruments or additional Tier 1 capital instruments (shares, preference shares, securities mandatorily convertible into shares or

“CoCos”), and any other credits that by law and/or their own terms, and to the extent permitted by law, rank junior to Tier 2 subordinated bonds and notes.

Without prejudice to the above, in the event that Tier 2 subordinated bonds and notes are no longer considered to be Tier 2 capital instruments of the Issuer, the priority of payment of Tier 2 subordinated bonds and notes would be the same as that described for subordinated bonds and notes in point (A) above.

Any interest on Tier 2 subordinated bonds and notes that has accrued but has not been paid at the date the Issuer declares insolvency will have the consideration established under prevailing legislation, currently ranked as subordinated credits of the Issuer under article 92 of the Insolvency Act.

4.6 Description of the rights attached to the securities and how these rights are executed

Holders of subordinated bonds and notes and Tier 2 subordinated bonds and notes:

(a) **Will not be entitled to exercise any right to compensation** relative to any of the Issuer's rights, credits or obligations, directly or indirectly, and regardless of their source (contractual or otherwise). Therefore, holders of these securities may not exercise or claim any of the rights or claims they may be entitled to or enabling them to demand any type of deduction, set-off, settlement or retention, and it will be considered that they have renounced these rights to the fullest extent permitted under applicable legislation; and

(b) **Will not have the power to step up expected future interest or principal payments, nor claim payment for any past due** amount owed but not paid by the Issuer, and therefore, the failure of the Issuer to meet its obligations will not be deemed to confer on the holder permission to execute such powers, except in the following cases:

   (i) Where an arrangement is made with creditors of the Issuer through a binding court ruling; or

   (ii) An agreement is made to dissolve and liquidate the Issuer by its corporate bodies in accordance with Title X of the Corporate Enterprises Act, or any other regulation in place at the time, excluding any operations to bring about structural changes in mercantile companies pursuant to applicable regulations.

4.8.1 Maturity date

Subordinated bonds and notes will have an initial maturity of at least one year and a maximum maturity of fifty years from the effective disbursement date or the minimum or maximum maturity permitted or required under Applicable Banking Regulations (including regulations applicable to MREL).

Tier 2 subordinated bonds and notes will have an initial maturity of at least five years and a maximum maturity of fifty years from the effective disbursement date or the minimum or maximum maturity permitted or required under Applicable Banking Regulations.

4.8.2 Redemption methods

(1) Subordinated bonds and notes

Subordinated bonds and notes may be redeemed early at the option of the Issuer in the specific case of an Eligible Liabilities Event, in accordance with the following rules:

Eligible Liabilities Event

If an Eligible Liabilities Event occurs a result of a change (or any pending change which the Regulator considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including regulations applicable to MREL) or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date, the Securities may be redeemed at the option of the Issuer in whole, but not in part, subject to such redemption being permitted by the Applicable Banking Regulations then in force (including regulations applicable to MREL), according to the provisions thereof, and subject to the permission of the Regulator and/or the Relevant Resolution Authority, if and as applicable (if such permission is required) pursuant to such regulations, at any time, giving notice to the holders of the instruments in accordance with the general procedures, terms and channels established in section 4.8.2 of the Base Prospectus or, where applicable, with any others set forth in the corresponding Final Terms.

Eligible Liabilities Event means the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding nominal amount of the securities will not, at some moment prior to the maturity date, meet all the requirements to be considered an eligible liabilities of the Issuer and/or the Group, except when this lack of eligibility for inclusion as eligible liabilities is due to:

(i) solely to the fact that the remaining maturity of the securities (or effective remaining maturity where the securities are subject to an Investor Put option, for instance) is less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including regulations applicable to MREL) (or any other regulations applicable in Spain) at the Issuance date; or

(ii) the securities will be bought back by the Issuer or on its behalf; or

Eligible Liabilities Events include, but are not limited to, cases where this lack of eligibility for inclusion in MREL is due to:

(a) any future legislation in Spain enacting the banking reforms being developed in the EU that differs in any aspect from the proposals for reform published by the European Commission on 23 November 2016 (**draft EU Banking Reform**) (including the case that EU banking reforms may not be fully applied in Spain), or

(b) the official application or interpretation of the EU Draft Banking Reform package or the banking reform processes being developed in the EU implemented in Spain (including any interpretation or ruling handed down by a court or competent authority) differing in any aspect from how it is stipulated in the EU Draft Banking Reform and the Final Terms of the securities.

The **Regulator** means the European Central Bank or such other successor authority exercising primary bank supervisory authority, or any other entity or institution carrying out such duties on its/their behalf (including the Bank of Spain), in each case with respect to prudential matters in relation to the Issuer and/or the Group.

Resolution Authority means the Fondo de Resolución Ordenada Bancaria (FROB), the European Single Resolution Board (SRB) created within the regulatory framework of the Single Resolution Mechanism and/or any other authority with the power to exercise or intervene in the bail-in or loss absorption process and/or redeem and convert shares into other instruments_in accordance with regulations governing the resolution of credit institutions.

Without prejudice to the case specified above and to early redemption resulting from a Tax Event, when this is stipulated as applicable, the corresponding Final Terms may specify general redemption options (i.e. options not linked to a specific event) in accordance with prevailing regulations.

(2)<u>Tier 2 subordinated bonds and notes will rank:</u>

According to Applicable Banking Regulations, the Final Terms of this type of instruments may not include claw-back or early redemption clauses at the option of the holder, without prejudice to the fact that the Issuer may redeem the securities early after five years has elapsed since the disbursement, if this does not affect the solvency of the entity, with the prior authorisation of the Regulator. The solvency of the entity is understood not to be affected only when (a) the entity replaces the redeemed instrument with items eligible for use as own funds of a similar quality, or items eligible as basic own funds, and this replacement is made under conditions that do not affect the entity's capacity to generate income; or (b) the entity demonstrates to the Regulator that its eligible own funds are comfortably higher than minimum requirements after the transaction.

Further, the clauses that allow early redemption at the option of the Issuer may not include incentives for early redemption, such as a higher interest rate, the option is not exercised. The entity may not create any expectation that the option will be exercised. Neither will clauses be admitted that indirectly incentivate redemption, such as those that forecast higher remuneration in the event of a downgrade in the Issuer's rating, or that of any of its Group companies.

The Regulator may at any time, even before five days have elapsed after the disbursement, authorise the Issuer to carry out the early redemption of Tier 2 subordinated bonds and notes in the case of a:

<u>Capital Event</u>

If a Capital Event occurs a result of a change (or any pending change which the Regulator considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including regulations applicable to MREL) or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date (even as the result of the transposing or application in Spain, on or after the Issue Date, of CRD IV), the Securities may be redeemed at the option of the Issuer in whole, but not in part, subject to such redemption being permitted by the Applicable Banking Regulations then in force (including regulations applicable to MREL), according to the provisions thereof, and subject to the permission of the Regulator and/or the Relevant Resolution Authority, if and as applicable (if such permission is required) pursuant to such regulations, at any time, giving notice to the holders of the instruments in accordance with the general procedures, terms and channels established in section

4.8.2 of the Base Prospectus or, where applicable, with any others set forth in the corresponding Final Terms.

A Capital Event means the determination by the Issuer after consultation with the Regulator that all or part of the outstanding nominal amount of the Securities is not eligible for inclusion in the Tier 2 Capital of the Issuer and/or Group (but, in the case of partial ineligibility, only if early redemption of the Securities in such circumstances is permitted under the Applicable Banking Regulations) pursuant to the Applicable Banking Regulations (other than as a result of any applicable limitation on the amount of such capital as applicable to the Issuer).

Without prejudice to the case specified above and to early redemption resulting from a Tax Event, when this is stipulated as applicable, the corresponding Final Terms may specify general redemption options (i.e. options not linked to a specific event) in accordance with prevailing regulations.

4.11. Resolutions, authorisations and approvals by virtue of which the securities are being issued.

CaixaBank will perform all the processes and applications required before the corresponding authorities to ensure the full or partial inclusion of the subordinated bonds and notes as minimum requirements for own funds and eligible liabilities ("MREL") of the Issuer and/or its Group, in accordance with prevailing regulations.

CaixaBank will perform all the necessary procedures before the competent authorities to ensure that Tier 2 subordinated bonds and notes issued under this Base Prospectus are eligible as own funds , submitting to them the particular terms and conditions in the same format as that contained in Appendix VII of the Base Prospectus. Under no circumstances should the authorisation, if necessary, received from the competent authorities or the approval of their consideration as own funds be considered a recommendation in regard to the subscription or acquisition of the securities being issued or that may be issued in the future, nor in regard to the yields offered or the solvency of the Issuer.

4.13. Restrictions on the free transfer of the securities.

Under prevailing legislation, there are no specific or general restrictions on the free transfer of subordinated bonds and notes and they may be subsequently acquired by the Issuer itself, by entities belonging to its consolidated Group or other entities or persons with the financial support of CaixaBank or its consolidated Group, provided this is permitted under Applicable Banking Regulations (including Applicable MREL Regulations) and the prior consent of the Regulator and/or the Resolution Authority has been obtained (if this consent is required under these regulations).

5.2.1 Categories of investors to which the securities are offered

Issuances of subordinated bonds and notes will be placed exclusively among qualified investors and/or eligible counterparties.

APPENDIX III - MORTGAGE COVERED BONDS

All information set down in this Base Prospectus refers to all mortgage covered bonds, except for that relating specifically to these instruments, as described below, and in the regulations in force at all times.

4.1. Description of the type and class of the securities

Mortgage covered bonds are securities representing debt for the Issuer, bearing interest and repayable through early redemption or on maturity. These securities are guaranteed by a specific loan portfolio of the issuing entity backed with mortgage loans, which are not subject to the issuance of mortgage bonds or participations, in accordance with prevailing legislation, and by the substitution assets and economic flows generated by the derivative financial instruments linked to each issuance, where these exist.

4.2. Legislation governing the securities

Issuances of mortgage covered bonds are also subject to the provisions of Act 2/1981, of 25 March, on mortgage market regulations, and Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, and Royal Decree 1333/2005, of 11 November, on market abuse.

4.5. Priority of payment

Mortgage covered bonds are securities in which the principal and interest are especially secured, with no need for registration, by mortgages on all the bonds registered in favour of CaixaBank, and are not subject to issuances of mortgage bonds or participations, in accordance with Act 2/1981, of 25 March, on mortgage market regulations, and Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, without prejudice to its corporate liability, and, any substitution assets stipulated in article 17 of Act 2/1981 and the economic flows generated by derivative financial instruments linked to each issuance.

The Issuer of mortgage covered bonds will keep a special accounting record of all loans and credits that serve as collateral for the mortgage bonds and, any substitution assets used to provide security, in addition to the derivative financial instruments linked to each issuance. This accounting record must also identify, for the purposes of calculating the limits established in article 16 of Act 2/1981, of 25 March, on mortgage market regulations, referred to later in this report, which of all the loans and credits recorded meet all legal requirements. Covered bond issuances will not be subject to Title XI of Royal Decree Law 1/2010, of 2 July, approving the restated text of the Corporate Enterprises Act. Neither will they be filed in the Companies Register.

The volume of mortgage covered bonds issued by CaixaBank will not be more than 80% of the amount of the unpaid capital of its mortgage loans and credits that meet the requirements of section II of Act 2/1981, in its current wording, deducting the full amount of any loan or credit relating to mortgage bonds or participations. Mortgage covered bonds may be secured to a limit of 5% of the principal issued by substitution assets suitable for hedging.

For the purposes of calculating the 80% limit, the properties whose mortgages are used to secure the issuances of mortgage covered bonds will have been appraised prior to the securities issuance, and insured according to the provisions of article 10 of Royal Decree 716/2009, of 24 April.

The mortgage loans used to secure the issuance of mortgage covered bonds will be guaranteed with a first mortgage on full ownership.

The records of the mortgage properties to which the loans used to secure the issuances of mortgage covered bonds refer will be up to date and subject to no conditions or limitations deriving from a failure to carry out the registration process or relating to registrations carried out under article 298 of the Mortgage Act.

Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, mortgage covered bonds include credit rights for holders vis-a-vis the Issuer and an option to claim payment from the Issuer after the maturity date. Mortgage covered bonds confer on their holders the status of special preferential creditors, as described in article 1923.3 of the Civil Code, vis-a-vis any other creditors, for all mortgage loans registered in favour of CaixaBank, with the exception of those used to secure mortgage bonds or participations, and for substitution assets and economic flows generated by any derivative financial instruments associated with the issuance. Holders of mortgage covered bonds, regardless of their date of issue, will have the same priority of payment as the loans and credits that secure them, and if they exist, as the substitution assets and economic flows generated by the derivative financial instruments linked to each issuance.

In the event of insolvency, holders of mortgage covered bonds will be classed as special preferential creditors with regard to the Issuer's mortgage loans, with the exception of those related to mortgage bonds or participations, in accordance with article 90.1.1 of the Insolvency Act.

Without prejudice to the above, pursuant to article 84.2.7 and Final Provision Nineteen of the Insolvency Act, and article 14 of Act 2/1981, of 25 March, on mortgage market regulations, they will be treated as credits against the insolvency state arising from the repayment of capital and interest on the bonds issued and pending repayment at the insolvency date, up to the amount of the income received by the insolvent entity in relation to the mortgage loans and credits securing the covered bonds, and from any substitution assets contemplated under article 17.2 of Act 2/1981 and the economic flows generated by the derivative financial instruments linked to each issuance.

If, due to a time gap, the income received by the insolvent party is insufficient to cover these payments, they should be covered by the insolvency practitioners through the liquidation of the substitution assets linked to the issuance, and if this is still insufficient, financing should be raised to meet the payments owed to the covered bond holders, with the financing party assuming their position. If the procedures set down in article 155.3 of the Insolvency Act must be followed, payment will be made to all holders of the covered bonds issued by the Issuer on a pro-rata basis, regardless of the issuance date of the securities. If the same credit or loan were to be used for the payment of covered bonds and a bond issuance, the bond holders would be paid first.

4.7.5. Time limit on the validity of claims to interest and repayment of principal.

Article 22 of Royal Decree 716/2009, of 24 April, establishes, with regard to mortgage covered bonds, and in accordance with the provisions of article 950 of the Commercial Code, that the repayment of the securities and payment of interest and premiums related thereto may no longer be claimed three years after its respective maturity.

4.8.2 Redemption methods

With regard to the early redemption of mortgage covered bonds, in accordance with article 24 of Royal Decree 716/2009, of 24 April, the outstanding volume of these securities issued by the Bank, may not be more than 80% of the eligible base formed by the sum of the unpaid capital of all mortgage loans and credits on its portfolio that may be used as collateral, deducting the full amount of any loan or credit linked to mortgage loans or participations.

If this limit is exceeded, and without prejudice to the terms of the Issuance Agreement, the Issue may redeem the mortgage covered bonds up to the excess amount in accordance with article 25 of Royal Decree 716/2009, of 24 April. The redemption of mortgage covered bonds will be carried out in accordance with the law, and the corresponding amounts paid to the holders of the instruments, including, where applicable, any coupon accrued.

Redemptions of mortgage covered bonds will be announced through the CNMV, the Paying Agent, the Governing Body of the secondary market on which the securities are admitted to trading, the entity responsible for registering the securities, and the holders of the securities (the latter exclusively at the discretion of CaixaBank), and also, under current legislation, via publication in the official Gazettes of the secondary markets on which the securities are listed, a national newspaper and on the notice boards of the CaixaBank branch network.

4.13. Restrictions on the free transfer of the securities

Under prevailing legislation, there are no particular restrictions on the free transfer of these securities, under Act 2/1981, of 25 March, and Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, of 25 March, on regulating the mortgage markets, and they may be transferred without the involvement of a notary public, as stipulated in article 37 of the aforementioned Royal Decree 716/2009. Pursuant to article 39 of Royal Decree 716/2009, of 24 April, the volume of mortgage bonds that the Issuer may hold on its portfolio, with no restriction on permanency, may not exceed 50% of the total issued.

APPENDIX IV - STRUCTURED BONDS AND NOTES

This appendix has been drafted in accordance with Annex XII of Commission Regulation EC 809/2004, of 29 April 2004. Therefore, it does not include the sections of that annex, the information pertaining to which is already included in the Base Prospectus (which in turn was prepared in accordance with Annex V of Regulation EC 809/2004).

All information described in the Base Prospectus is applicable, *mutatis mutandi*, to the structured bonds and notes issued. However, the specific features of these securities are shown below. The following paragraphs supplement, or if contradictory, substitute, the paragraphs in the Base Prospectus bearing the same title and/or numbering, in regard to structured bonds and notes. Although this information may also be set forth in their specific regulations.

Given that structured bonds and notes may include or replicate the characteristics of various types of derivative instruments on different types of underlying assets, the Final Terms may establish the standard terms applicable to structured bonds and notes on the international derivatives market, and specifically, the definitions and models published by International Swaps and Derivatives Association, Inc ("ISDA") which are normally used in derivatives transactions.

4.1.1 Description of the type and class of the securities

Structured notes are bonds or notes that represent a debt for the Issuer, accrue interest, where applicable, and can be redeemed early or upon maturity, and their yield is linked to the performance of one or several underlying assets (shares, indexes, commodities, etc.), and based on this performance, they can be redeemed at par, for a greater amount or for a lesser amount and, therefore, may give rise to negative yields, and there is even the possibility of the physical delivery of the underlying asset instead of all or a portion of the amount invested.

4.1.2 Description of how the investment value is affected by the value of the underlying

Structured bonds and notes are high risk instruments as they may have complex structures and the yield they offer is linked to the performance of one or more underlyings during the life of the investment. This may result in the loss of all or part of the nominal amount of the security. Therefore, investors will not know yield offered by the instrument before they invest.

The possibility that the redemption price on the redemption will be lower than the nominal amount will depend mainly on the type and performance of the underlying asset, the capital barriers (which will condition the recovery of the initial investment or limit losses on the initial value), early redemption barriers, the maturity of the securities and the final settlement. The coupon received by the investor will also depend mainly on the type and performance of the underlying asset, and, where applicable, the existence of coupon barriers (that condition whether or not the coupon is collected).

For further details of each specific structure see sections 4.7.1 and 4.7.2 of the Base Prospectus and section 4.1.12 of this Appendix.

In cases where there is a possibility that on the redemption date, the redemption price is lower than the issue price paid by the investor, the Final Terms will expressly indicate the possibility that the subscriber may lose all or part of the capital invested, in addition to the possibility of receiving the physical delivery of shares in the underlying asset in place of some or all of the capital invested.

4.1.6 Priority of payment of the securities.

In general, except where the Final Terms of a particular issue provide otherwise, structured bonds and notes issued by CaixaBank will have neither collateral nor third-party guarantees. The principal and interest of the securities will be secured by all the assets of CaixaBank, without prejudice to the full or partial loss of the capital invested, in accordance with the indications of the Final Terms.

In the event of insolvency situations affecting CaixaBank investors' claims will be ranked in accordance with the priority of claims and payment established under the updated version of the Insolvency Act 22/2003, of 9 July, (the "Insolvency Act"), and corresponding implementing regulations in force at all times.

Under current legislation, structured bonds and notes will rank:

(i) Junior to preferential credits (which would include mortgage covered bonds, public sector covered bonds and mortgage bonds);

(ii) Pari passu to other ordinary preference credits in accordance with Royal Decree Law 11/2017, of 23 June, on urgent financial measures, amending Law 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment services companies ("Royal Decree Law 11/2017");

(iii) Senior to ordinary non-preference credits in accordance with Royal Decree Law 11/2017, subordinated credits, regardless of whether or not they are Tier 2 equity instruments, Tier 1 capital or additional Tier 1 capital (shares, preference shares, securities mandatorily convertible into shares or "CoCos") and any other instruments that are junior to structured bonds and notes

4.1.11 Expiration date of derivative securities and exercise date, or final reference date

The expiration or maturity date of the securities, and final reference date of the underlying will be disclosed in the Final Terms.

4.1.12 Settlement

The securities will be settled in cash, although the Final Terms may specify the possibility of receiving a number of shares in the underlying asset instead of all or part of the nominal amount invested.

Payments resulting from the settlement will be made through the Payment Agent specified in the Final Terms and will be settled Iberclear/Euroclear or Clearstream.

The yield received will depend on the coupons generated according to the structures and formulae described in section 4.7.1 of the Base Prospectus, and the redemption price applied on maturity or early redemption of the instrument (automatic cancellation) as described below, and specified in the Final Terms:

A) Early redemption (automatic cancellation)

In addition to the cases set forth in section 4.8.2 of the Base Prospectus, structured bonds and notes may be redeemed early in the following cases:

Option 1:

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates for t=1,…,N-1, is the same or higher than its Cancellation Barrier (XX% of its Initial Price), the Product would be redeemed early at the corresponding Payment Date, and the investor would receive 100 per cent of the nominal amount invested.

Option 2:

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates for t=1,…,N-1, is the same or lower than its Cancellation Barrier (XX% of its Initial Price), the Product would be redeemed early at the corresponding Payment Date, and the investor would receive 100 per cent of the nominal amount invested.

B) Redemption at maturity

Option 1:

If there is no early redemption, and no Capital Barrier (or where a Capital Barrier exists this is 100% of its Initial Price), when the Final Price of the Underlying is the same or higher than its Initial Price, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is the same or higher than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is lower than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, which may be fixed or variable. The variable amount will be determined according to whether the capital loss is calculated on the Initial Price, or the Capital Barrier, as described below:

Redemption at Maturity Date = Nominal Investment Amount x Percentage IN

Percentage IN is a fixed or variable percentage of the Nominal Amount:

- Fixed percentage:

  Percentage IN= YY%

- The variable percentage will be determined according to whether the capital loss is calculated on the Initial Price (PI) or the Capital Barrier (BC):

  - If the loss is based on the Initial Price:

Percentage IN= (PF/PI)

- If the loss is based on the Capital Barrier:

Percentage IN= (PF/Capital Barrier)

If the underlying asset performs poorly (i.e. the Final Price of the Underlying is 0), the investor may lose all the initial investment.

Option 2:

If there is no early redemption, and provided that during the observation period the Underlying does not close at a price that is lower than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and provided that during the observation period the Underlying does not close at a price that is lower than the Capital Barrier (xx% of its Initial Price), and the Final Price of the Underlying is:

- Lower than the Initial Price, the Product would be redeemed at the maturity date, and the investor would receive a fixed or variable percentage of the nominal amount invested. The variable amount will be determined according to whether the capital loss is calculated on the Initial Price, or the Capital Barrier, as described below:

  Redemption at Maturity Date = Nominal Investment Amount x Percentage IN

  Percentage IN is a fixed or variable percentage of the Nominal Amount:

  - Fixed percentage:

    Percentage IN= YY%

  - The variable percentage will be determined according to whether the capital loss is calculated on the Initial Price (PI) or the Capital Barrier (BC):

    - If the loss is based on the Initial Price:

      Percentage IN= (PF/PI)

    - If the loss is based on the Capital Barrier:

      Percentage IN= (PF/Capital Barrier)

  If the underlying asset performs poorly (i.e. the Final Price of the Underlying is 0), the investor may lose all the initial investment.

- Higher than the Initial Price, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

Option 3:

If there is no early redemption, and the Final Price of the Underlying is the same or higher than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is lower than the Capital Barrier (xx of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, calculated according to the following formulae and depending on whether the capital loss is calculated on the Initial Price or the Capital Barrier.

Loss based on the Initial Price (PI):

$$\text{Percentage IN} = \text{Max}\left[\text{X\%;1-}\left[\text{f}*\left(\frac{\text{PI - PF}}{\text{PI}}\right)\right]\right]$$

Loss based on the Capital Barrier:

$$\text{Percentage IN} = \text{Max}\left[\text{X\%;1-}\left[\text{f}*\left(\frac{\text{Capital Barrier - PF}}{\text{PI}}\right)\right]\right]$$

f = adjustment factor for leveraging or deleveraging, where f=0,…..,n

X% = percentage of the nominal amount guaranteed.

If the underlying asset performs poorly, the investor may lose all the initial investment, even if the final price of the underlying is higher than 0, provided that X% equals 0%.

Option 4:

Any of the formulae established to calculate the redemption at maturity may be indexed to a single reference, rate, security, index or asset, or basket thereof, the best-of option in a basket, or worst-of option in a basket, as follows:

For various underlyings (i), where i=1.2,…,n

The best performing asset in a basket that meets the following conditions:

$$\left[\text{Max}_{i=1,2...n}\left(\frac{\text{Underlying(i)}_{PF}}{\text{Underlying(i)}_{PI}}\right)\right]$$

The worst performing asset in a basket that meets the following conditions:

$$\left[\text{Min}_{i=1,2...n}\left(\frac{\text{Underlying(i)}_{PF}}{\text{Underlying(i)}_{PI}}\right)\right]$$

Option 5:

Two underlyings are defined: Underlying A and Underlying B
If there is no Early Redemption**,** and at any or all (according to the Final Terms) of the Reference Price Determination Dates (T), for T=1,…N, the following condition is met:

$$\left[\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}-1\right)\right] \geq \left[\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyingB(0)}}-1\right)\right]$$

In other words, if the percentage change in the price of Underlying A is equal to or higher than the percentage change in the price of Underlying B, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

Otherwise, the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, calculated as follows:

$$\text{Percentage} \quad \text{IN} = \text{Max}\left[1+\left(\text{f}*\left(\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}\right)-\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyignB(0)}}\right)\right)\right);\text{X\%}\right]$$

Where:

f = adjustment factor for leveraging or deleveraging, where f=0,…..,n

X% = percentage of the nominal amount guaranteed.

If the variation change in Underlying A performs poorly in comparison to the variation in Underlying B, the investor may lose all OF the initial investment, even if the final price of Underlying A is higher than 0, provided that X% equals 0%.

To calculate the payments to be made for securities where the yield is determined by a combination of fixed and/or floating interest rates and indexing to the performance of the assets mentioned above, a combination of the aforementioned formulae would also be applied.

Establishing the specific yield on the issuances to be made, in addition to the reference rate, securities, indexes or assets to which this yield is indexed, their official denomination, form, time of determination and calculation, advertising, any caps and floors set, initial prices or values, final prices or values, valuation dates, barriers, information on underlying assets, frequency of coupon payments, and other specific parameters necessary to establish the rights of subscribers or holders of each issuance and other key characteristics to establish the yield and features of the securities to be issued, in addition to their general description, will be included in the Final Terms of each issuance.

4.1.13 Securities payment procedure, payment date and calculation method

The payments deriving from the securities will the coupons and redemption prices and will be settled in cash, without prejudice to the possibility of receiving a number of shares in the underlying asset instead of all or part of the nominal amount invested.

The coupon payment dates and redemption date on maturity, in addition to any partial redemption or automatic cancellation dates, and the business day convention will be specified in the Final Terms.

For information on coupon payment dates, see section 4.7.1 of the Base Prospectus.

For information on the partial or early redemption of the securities, see section 4.8.2 of the Base Prospectus.

For information on payments relating to the final redemption of the securities, see the structures described in section 4.1.12 of this Appendix.

Whether the Issuer offers liquidity windows to holders of the securities in this issuance, the timing of these and their conditions will be specified in the Final Terms.

4.2.1 Exercise price and final price of the underlying

The exercise price and final reference price of the underlying will be disclosed in the Final Terms.

4.2.2 Type of underlying

Under this Base Prospectus, and as established in the Final Terms of each issuance, structured securities issuances may contain the following underlying assets:

(i) Securities:
- Shares of companies listed on organised Spanish or foreign markets
- Fixed income assets listed on Spanish or foreign fixed income markets
- Certificates traded on Spanish or foreign markets

When the underlying is a security, its name and ISIN code will be included in the Final Terms.

(ii) Indexes:
- Spanish or foreign organised securities market indexes
- Indexes of fixed income assets listed on Spanish or foreign fixed income markets
- Indexes of commodities or precious metals published by Spanish or internationally recognised information services or public bodies.
- Indexes of energy prices published by Spanish or internationally recognised information services or public bodies.
- Spanish or foreign price indexes published by internationally recognised information services or public bodies.

When the underlying is an index, its name and where to obtain information relating to it will be included in the Final Terms.

(iii) Interest rates:
- Listed fixed income indexes

When the underlying is an interest rate, the description of the interest rate will be included in the Final Terms.

(iv) Other:
- Commodities prices published by internationally recognised information services or public bodies
- Energy prices published by internationally recognised information services or public bodies.
- Yields of a particular currency against another obtained on the Spanish market or international currency markets.
- Credit risk of an asset

- Futures arranged on any of the assets mentioned above, provided they are traded on organised markets.
- Collective Investment Schemes domiciled in OECD countries
- Any other Underlying Assets for which a valuation can be made and the price of which is published by daily by national or internationally recognised information services, including real estate indexes and securities.

For this type of underlying similar information to that disclosed for other types of underlying will be included in the Final Terms.

(v) Baskets of underlyings:

- Baskets of shares of companies listed on Spanish or foreign organised securities markets
- Baskets of Spanish or foreign organised securities market indexes
- Baskets of fixed income assets listed on Spanish or foreign fixed income markets
- Baskets of Spanish or foreign price indexes published by internationally recognised information services or public bodies.
- Baskets of Spanish or foreign price indexes published by internationally recognised information services or public bodies.
- Baskets of Collective Investment Schemes domiciled in OECD countries
- Baskets of certificates traded on Spanish or foreign markets

When the underlying is a basket, the proportion of each underling and similar information for each underlying to that disclosed for other types of underlying will be included in the Final Terms.

4.2.3 Market disruption affecting the underlying

See Section 4.2.4 of this Appendix.

4.2.4 Rules for adjusting the underlying instrument

In the case of securities where the yield is indexed to the performance of stock market indexes or other assets, during the period between the different valuation dates of the indexes and assets to which the yields of the issuance in question have been indexed (the "Underlying Asset"), a series of events may take place that may give rise to changes at the valuation dates taken to calculate the yield on the securities issued, due to the suspension of the markets on which the Underlying Assets are traded, a fault or interruption in the publication of the indexes or securities making up the Underlying Assets, or due to the occurrence of certain events that alter the corporate situation of the companies issuing or developing the Underlying Assets. All adjustments will be made by the Issuer in accordance with the instructions of the Calculation Agent of the issuance in question.

The changes and/or adjustments are described in the following paragraphs. In cases where the holders of the Underlying Assets concerned are offered different alternatives or where such alternatives exist, the Calculation Agent, in agreement with the Issuer, will select the option it considers to be the most advantageous for subscribers of the structured securities, indicating to the Issuer the manner in which to proceed with the issuance in question.

If the Issuer, in the event of any of the circumstances described below, decides to redeem the securities early, paying their holders the corresponding early redemption price, this price will be determined by the Calculation Agent.

If the market on which the Underlying Asset trades is suspended, and unless specified otherwise in the Final Terms of the issuance, the following rules will apply in each case described below.

I - MARKET SUSPENSION

Markets will be deemed to be suspended ("Market Suspension") in the following cases:

a) With regard to a stock market index or basket of stock market indexes, when on any day on which the Trading Market or the Related Trading Market on which the index in question is traded or listed is open for transactions, for a period of no less than an hour immediately prior to the relevant Valuation Time, for any reason, there is a suspension or restriction of market activities that affects securities that make up at least 20% of the total composition of the index in question, or future options or contracts on the index in question in its Related Trading Market, provided such suspension or restriction prevents the Calculation Agent from carrying out the valuation of the Underlying Asset at market prices at the time when this should be carried out.

   In order to verify the actual existence of a case of Market Suspension, if the listing of one or more of the securities or assets included in the index in question is suspended or restricted, the weighting of these securities or assets immediately prior to the suspension or restriction of their listing will be calculated in order to determine whether the percentage weighting of the suspended security/securities is high enough to justify a suspension of the market. As a general rule there will be deemed to be a case of Market Suspension when the percentage weighting of the suspended or restricted security/securities in the index in question reaches 20%.

   Market Suspension will also be recognised if the Trading Market (provided that this affects securities composing 20% of the index) or the Related Trading Market close prior their respective habitual closing times, where no warning of such closure has been given by manager of the market in question at least one hour in advance of the habitual closing time or the time limit for placing orders (whichever is earlier).

b) With regard to a share or a basket of shares, when on any day on which the Trading Market or the Related Trading Market on which the Underlying Asset in question is traded or listed is open for transactions, for a period of no less than an hour immediately prior to the relevant Valuation Time, for any reason, there is a suspension or restriction of market activities affecting trading of the shares in question, or future options or contracts on the shares in their Related Trading Market, provided such suspension or restriction prevents the Calculation Agent from carrying out the valuation of the Underlying Asset at market prices at the time when this should be carried out.
   In order to verify the actual existence of a case of Market Suspension, if the listing of one or more of the shares making up the basket in question is suspended or restricted, the weighting of these shares in the basket will be calculated immediately prior to the suspension or restriction of their listing, in order to determine whether the percentage weighting of the suspended share/shares is high enough to justify a suspension of the market. As a general rule there will be deemed to be a case of Market Suspension when the percentage weighting of the suspended share/shares in the basket in question reaches 20%.

   Market Suspension will also be recognised if the Trading Market or the Related Trading Market close prior their respective habitual closing times, where no warning of such closure has been given by manager of the market in question at least one hour in advance of the habitual closing time or the time limit for placing orders (whichever is earlier). This will apply provided that as a general rule the percentage weighting of the suspended share/shares in the basket in question reaches 20%.

c) With regard to fixed income assets or baskets of fixed income assets, when on any day on which the Trading Market or the Related Trading Market on which the asset in question is traded or listed, quotations cannot be obtained, whether due to a suspension or restriction of the market's activities or for any other reason.

d) With regard to the value of one currency against another, when on any day on which the currency market on which the currency in question is traded or listed is open, values cannot be obtained for such currency.

e) With regard to futures arranged on any of the assets mentioned in section 4.2.2 of Appendix IV that are traded on organised markets, when on any day on which the Trading Market or the Related Trading Market on which the future in question is traded or listed, quotations cannot be obtained, whether due to a suspension or restriction of the future market's activities (or that of its underlying) or for any other reason.

f) With regard to certificates or baskets of certificates, when on any day on which the Trading Market or the Related Trading Market on which the underlying asset in question is traded or listed is open for transactions, quotations cannot be obtained, whether due to a suspension or restriction of the market's activities or for any other reason.

In order to verify the actual existence of a case of Market Suspension, if the listing of one or more of the certificates making up the basket in question is suspended or restricted, the weighting of these certificates the basket will be calculated immediately prior to the suspension or restriction of their listing, in order to determine whether the percentage weighting of the suspended certificate/certificates is high enough to justify a suspension of the market. As a general rule there will be deemed to be a case of Market Suspension when the percentage weighting of the suspended certificate/certificates in the basket in question reaches 20%.

g) With regard to commodities or precious metals prices, with there is a temporary or permanent interruption in trading of the future arranged on the commodity or precious metal in question.

In order to verify the actual existence of a case of Market Suspension, if the listing of one or more of the commodities or precious metals prices included in the index or making up the basket in question is suspended or restricted, the weighting of these commodities or precious metals in the index or basket immediately prior to the suspension or restriction of their listing will be calculated in order to determine whether the percentage weighting of the suspended commodity/commodities or precious metal/metals is high enough to justify a suspension of the market. As a general rule there will be deemed to be a case of Market Suspension when the percentage weighting of the suspended commodity/commodities or precious metal/metals in the index or basket in question reaches 20%.

Market Suspension will also be recognised if the Trading Market (as a general rule, provided that this affects securities composing 20% of the index) or the Related Trading Market close prior to their respective habitual closing times, where no warning of such closure has been given by manager of the market in question at least one hour in advance of the habitual closing time or the time limit for placing orders (whichever is earlier).

h) With regard to energy price indexes, with there is a temporary or permanent interruption in trading of the energy price future in question.

In order to verify the actual existence of a case of Market Suspension, if the listing of one or more of the energy prices included in the index or the basket in question is suspended or restricted, the weighting of these energy prices in the index or basket immediately prior to the suspension or restriction of their listing will be calculated in order to determine whether the percentage weighting of the suspended energy price/prices is high enough to justify a suspension of the market. As a general rule there will be deemed to be a case of Market Suspension when the percentage weighting of the suspended energy prices in the index or basket in question reaches 20%.

i) With regard to Spanish or foreign price indexes, when these cannot be obtained from daily information published by internationally recognised services.

j) With regard to securities indexed to the performance of Collective Investment Schemes domiciled in OECD countries, when these cannot be obtained from the information published by internationally recognised services.

k) With regard to combinations of fixed and floating interest rates, or between these and indexation, positive or negative or both, to structures with maturity dates that may be one of several previously established dates according to the performance of the underlying, or any others for which a valuation can be made and the price of which is published by daily by internationally recognised information services, including real estate securities, or specific issuances where the yield is determined using a variety or combinations or variations in the formulae defined in the previous sections, when these indexes cannot be obtained from the daily information published by internationally recognised services, provided that a suspension or restriction exists that prevents the Calculation Agent from carrying out the valuation at market prices at the time it should be carried out.

Alternative valuation in the event of Market Suspension

Once the Calculation Agent has verified the existence of a case of Market Suspension on a date that prevents it from carrying out the valuation of the Underlying Asset on one of the Valuation Dates set down in the corresponding Final Terms, the Calculation Agent will follow the alternative valuation rules below:

a) For securities indexed to the performance of shares or stock market indexes, the next Valuation Date will be next trading day on which there is no Market Suspension, unless the Market Suspension continues for the eight trading days immediately subsequent to the date initially specified as the Valuation Date, in which case the eighth trading day immediately subsequent to that date will be classed as the Valuation Date, regardless of whether the Market Suspension occurs or remains in place on that date. In the case of an index, the Calculation Agent will determine the value of the index in question in accordance with the formula and calculation method applied on the date the Market Suspension began, using the quote price of the securities making up the index (or an estimate of this price, if the securities composing the index have been suspended) at the valuation time on the eighth trading day. In the case of a share, the Calculation Agent will determine its value on the same date using the arithmetic mean between the last available market price and the share's estimated market price on the eighth trading day if the market had not been suspended. In both cases, the Calculation Agent will use the formulae and calculation methods it considers most appropriate to determine the price of the Underlying Assets, while seeking to approximate the value that would have prevailed if the market had not been suspended.

b) In the case of securities indexed to the performance of baskets of stock market indexes, the Valuation Date of each of the indexes not affected by the Market Suspension will be their original Valuation Date and the Valuation Date taken for the indexes affected by the suspension will be the next trading day on which the market is not suspended in each case, unless the Market Suspension continues for the eight trading days immediately subsequent to the date initially specified as the Valuation Date for each of the indexes affected, in which case the eighth trading day immediately subsequent to that date will be classed as the Valuation Date for the index in question regardless of whether the Market Suspension occurs or remains in place on that date. In this case, the Calculation Agent will determine the value of the index in question in accordance with the formula and calculation method applied on the date the Market Suspension began, using the quote price of the securities making up the index (or an estimate of this price, if the securities composing the index have been suspended) at the valuation time on the eighth trading day, seeking the closest possible approximation to the quote price that would have existed if the market had not been suspended.

c) In the case of securities indexed to the performance of shares, the Valuation Date of each of share that is not affected by the Market Suspension will be their original Valuation Date and the Valuation Date taken for the shares affected by the suspension will be the next trading day on which the market is not suspended in each case, unless the Market Suspension continues for the eight trading days immediately subsequent to the date initially specified as the Valuation Date for each of the shares affected, in which case the eighth trading day immediately subsequent to that date will be classed as the Valuation Date for the share in question regardless of whether the Market Suspension occurs or remains in place on that date. In this case, the Calculation Agent will determine the value of the share at the same date, using the arithmetic mean of the last available market price and an estimate of the price that would have existed on the eighth trading day if the market had not been suspended, seeking the closest possible approximation to the quote price that would have existed if the market had not been suspended.

d) In the case of securities indexed to the performance of fixed income securities or baskets of fixed income securities, the Calculation Agent will determine the quote price the securities affected by obtaining the arithmetic mean of quotes provided by five Reference Institutions, rejecting the highest and lowest prices.

e) In the case of securities indexed to the performance of certain currencies against others, the Calculation Agent will determine the price of the affected currencies by obtaining the arithmetic mean of quotes provided by five Reference Institutions, for an amount and term equal to that set for the issuance in question, rejecting the highest and lowest prices.

f) For securities indexed to the performance of certificates or baskets of certificates trading on regulated Spanish or foreign markets, the Calculation Agent will take as the next valuation date the next trading day on which there is no Market Suspension, unless the Market Suspension continues for the five trading days immediately subsequent to the date initially specified as the Valuation Date, in which case the fifth trading day immediately subsequent to that date will be classed as the Valuation Date, regardless of whether the Market Suspension occurs or remains in place on that date. In this case, the market value of the certificate will be determined on the valuation date set for calculating the settlement price.

g) For securities indexed to the commodities or precious metal prices, or baskets of these, the Calculation Agent will take as the next valuation date the next trading day on which there is no Market Suspension, unless the Market Suspension continues for the five trading days immediately subsequent to the date initially specified as the Valuation Date, in which case the fifth trading day immediately subsequent to that date will be classed as the Valuation Date, regardless of whether the Market Suspension occurs or remains in place on that date. In this case, the Calculation Agent will estimate the market value of the commodity or precious metal on the valuation date set for calculating the settlement price.

h) For securities indexed to the energy prices or energy price indexes (including renewables), the Calculation Agent will take as the next valuation date the next trading day on which there is no Market Suspension, unless the Market Suspension continues for the eight trading days immediately subsequent to the date initially specified as the Valuation Date, in which case the eighth trading day immediately subsequent to that date will be classed as the Valuation Date, regardless of whether the Market Suspension occurs or remains in place on that date. In this case, the Calculation Agent will estimate the market value of the energy price on the valuation date set for calculating the settlement price.

i) For issuances that are indexed to futures arranged on any of the assets mentioned in section 4.2.2 of Appendix IV, the alternative valuation rules set forth by the official market on which the corresponding future is traded will be followed.

j) For Spanish or foreign price indexes published daily by Spanish or internationally recognised information services, the Calculation Agent will determine the value of these indexes using the arithmetic mean of the price indexes published by these information services in the five days subsequent to the first day on which the market is not suspended. If the market is suspended for more than ten days, the Calculation Agent will estimate the value of the index.

k) For securities indexed to the performance of Collective Investment Schemes domiciled in OECD countries, the Calculation Agent will determine this performance using the arithmetic mean of the yields published by the same Spanish or internationally recognised information services in the five days subsequent to the first day on which the market is not suspended. If the market is suspended for more than ten days, the Calculation Agent will estimate the value of the CIS.

l) With regard to securities indexed to a combination of fixed and floating interest rates, or between these and indexation, positive or negative or both, to structures with maturity dates that may be one of several previously established dates according to the performance of the underlying, or any others for which a valuation can be made and the price of which is published by daily by internationally recognised information services, including real estate securities, or specific issuances where the yield is determined using a variety or combinations or variations in the formulae defined in the previous sections, the Calculation Agent will establish the value based on values provided by five reference entities, rejecting the highest and lowest prices

For securities indexed to the performance of Underlying Assets, if the Initial Value/Price of the Underlying Asset in question must be determined by obtaining the arithmetic mean of the securities, levels or prices on a series of immediately successive Valuation Dates and there the market is suspended on any of these dates, the next trading day will be taken as the new Valuation Date, unless that date is already a Valuation Date, in which case the period included within the established Valuation Dates, for the purposes of obtaining the Initial Price of the Underlying Asset, will be extended by as many trading days as necessary in order to obtain the number of Valuation Dates initially set to determine the Initial Value/Price of the Underlying Asset in question.

Likewise, for these securities, if the Final Value/Price of the Underlying Asset must be determined by obtaining the arithmetic mean of the securities or prices of this Underlying Asset on a series of immediately successive Valuation Dates (Final Valuation Dates) and the market is suspended on any of these dates, the next trading day will be taken as a new Valuation Date, unless that date was already a Valuation Date, in which case the period made up of the Valuation Dates set, for the purposes of obtaining the Final Price of the Underlying Asset, will be extended by as many trading days as necessary in order to obtain the number of Final Valuation Dates initially set to determine the Final Value/Price of the Underlying Asset, unless the proximity of the redemption date is so close that it is not possible to obtain the number of Final Valuation Dates required, in which case, the Calculation Agent will calculate the relevant values or prices on the Final Valuation Dates originally specified, regardless of whether the market has been suspended, using the formula and method of calculation of such prices or values in force on the date/s on which the Market Suspension took place and seeking the closest possible approximation to the value that would have existed if the market had not been suspended.

For these securities, if the Final Value/Price of the Underlying Asset must be determined on a single Valuation Date (Final Valuation Date) and on that date the market is suspended, the next trading day on which there the market is not suspected will be taken as a new Final Valuation Date, unless proximity of maturity date is so close that it is not possible to obtain a new Final Valuation Date, in which case the Calculation Agent, regardless of whether the market has been suspended, will determine the value of the Underlying Asset in question on the original Final Valuation Date to determine the Final Value/Price as described in the previous sections.

In cases in which the Price/Value must be determined by obtaining quotes from Reference Institutions, the procedure below will be followed:

Five Reference Institutions will be designated for the issue in question. If on the date on which the Price/Value in question must be determined, any two of the stated Reference Institutions have merged or any of them has merged with a third institution and has ceased to exist as such or, for any reason, any of the reference financial institutions stated has not provided a quote on the date set for doing so, the Calculation Agent will select new Reference Institutions, that stand out for their activity in the market in question, in order to obtain quotes from five Reference Entities to determine the Price/Value.

If on the established date, quotes are only obtained from three Reference Institutions, the Price/Value will be determined as the arithmetic mean of the available quotes, without rejecting the highest and lowest values. The same procedure will be applied if quotes are only obtained from two Reference Institutions. If a quote is obtained from only one Reference Institution, the Price/Value will be equal to that quote. If no quotes are obtained from any Reference Institutions, the Price/Value will be determined by the Calculation Agent on the basis of the market conditions and data prevailing on the date on which these quotes should have been obtained.

II - DISCONTINUITY AND ADJUSTMENTS TO UNDERLYING ASSETS MADE UP OF STOCK MARKET INDEXES

a) If any index used as a reference for the valuation of the Underlying Assets of the issuance in question is not calculated and/or published by the promoters, institutions or agencies appointed to do so, on the relevant Valuation Dates, but is calculated and/or published by an institution that succeeds them and is acceptable to the Calculation Agent, or is replaced by a successor index that uses a formula and calculation method identical or substantially similar to those used to calculate the index in question, the reference index will be deemed to be the index calculated in this manner and published by the successor institution or successor index, as the case may be.

b) If on any Valuation Date designated as such for an issuance or prior thereto, the promoters, institutions or agencies designated to calculate the index used as a reference to value the Underlying Asset, make a material change to the formula or method used to calculate this index, modify it in any other relevant manner (on the understanding that it is a change to the formula or a different calculation method to those envisaged for maintaining the reference index, in the case of changes to the securities or assets included in it or other extraordinary cases), or if on any Valuation Date the institutions so designated cease to calculate and publish the reference index used and there is no institution that succeeds them or is considered an acceptable successor by the Calculation Agent, in such cases (Index Adjustments) the Calculation Agent will calculate the corresponding value of the index using the level of the index on the designated Valuation Date, as determined by the Calculation Agent, in accordance with the last formula and the calculation method applicable prior to such change or discontinuity, instead of the published level, thus excluding those that have ceased to be quoted since that time in the market to which the index refers. In any case, the replacement of securities included in an index with others is not in itself a case of alteration or discontinuity that gives rise to an adjustment, unless it brings about a material change to the formula or method for calculating the index, as stated in this section.

c) In addition to the provisions of section b) above, the Final Terms may indicate, as a result of Index Adjustments:

   (i) that, for issuances aimed exclusively at qualified investors, the parties should negotiate the economic terms of any early redemption of structured bonds and notes and if no agreement is reached on these terms, the established calculation methods will still apply; or

   (ii) the early redemption of structured bonds and notes through the payment by the Issuer of the amount per bond or debenture established by the Calculation Agent based on the corresponding index value resulting from the application of the last formula and calculation method used prior to the Index Adjustment event. Redemption will take place on the business day established by the Issuer, and may not be later than the date on which the Index Adjustment comes into effect.

III - MODIFICATIONS AND ADJUSTMENTS TO BE MADE TO UNDERLYING ASSETS MADE UP OF SHARES OR BASKETS OF SHARES

3.1.- Adjustments due to events with a dilutive or concentrating effect on the carrying amount of the Underlying Assets comprised of shares.

The following events are deemed to have effects that dilute or concentrate the carrying amount of shares that make up the Underlying Asset of indexed issues under this Base Prospectus:

A) Capital increases
B) Capital reductions through the return of shareholders' contributions
C) Share splits
D) Any other events with a dilutive or accretive effect on the carrying amount of the shares.

If any of the aforementioned events take place, the Calculation Agent will calculate the new Initial Value/Price, as applicable, in the following manner:

A) Capital increases

According to the legislation in force concerning public limited companies, and for explanatory purposes only, there are several types of capital increases:

- capital increases through raising the face value of the shares
- capital increases through the issue of new shares at par or with a share premium
- full or partial scrip issues (charged to reserves)
- capital increases through offsetting loans
- capital increases through converting bonds into shares

Capital increases through raising the face value of the shares do not involve the issue of new shares and do not affect their market value, if the increase is carried out wholly against the company’s reserves or profits. No adjustment will be required as it has no effect on the carrying amount of the shares.

Capital increases through the issue of new shares at par are those where investors subscribe to newly issued shares, paying only the nominal amount of these shares. Capital increases with a share premium are those where investors subscribe to newly issued shares, paying the nominal amount plus a share premium set by the Issuer. Full or partial scrip issues with the issue of shares are those in which new shares are issued but subscribers do not make any disbursement for the newly issued shares, raising capital wholly against the company’s reserves, if they are completely freed up, or make a partial disbursement, charging the rest of the amount to the Issuer's unrestricted reserves, if they are partially freed up.

Capital increases through offsetting loans involve raising capital through the issue of new shares that are acquired by the company's creditors in exchange for their credits held against the company.

Capital increases made through the issue of new shares (at par, with a premium, scrip issues, etc.) may be made with or without a difference in dividends. In the first case, the same dividends are not received for the new shares issued (they do not have the same economic rights) as for the shares already issued beforehand, so the new shares issued will be quoted at a discount to the old shares insofar as their economic rights are not the same as the old shares. Once they have the same rights, the price of the new and old shares will become the same. However, the company may decide to increase capital with an equal level of dividends from the moment the new shares are issued, without any difference in dividends and the new shares are traded on the market at the same price as the existing shares from the moment they are admitted to trading.

Depending on the aforementioned factors, the adjustments to be made by the Issuer to the Initial Price, at the Calculation Agent’s request, in the event of a capital increase, are as follows:

<u>Full scrip dividend with no difference in dividends</u>: Whether or not the proportion per existing share is a whole number, the adjustment to be carried out is as follows: the Initial Price will be multiplied by the quotient of “shares before the increase/shares after the increase”.

<u>Partial scrip issue, issues made at par and with a share premium, and issues of convertible bonds.</u>

For all these types of increases, the following adjustments apply: The Initial Price will be reduced by the carrying amount of any preferential subscription rights. The carrying amount of the preferential subscription rights will be calculated on the basis of the share's closing price on the business day prior to the Adjustment Date (the date when the increase takes effect, which is the last day on which the subscription rights are traded) and the issuing conditions (disbursement, proportion of the existing shares, difference in dividends) for the new shares. Specifically, the carrying amount of the preferential subscription rights is calculated as follows:

$$d = \frac{N * (C - E)}{N+V}$$

where:
d: carrying amount of the right
N: number of new shares issued times each V of existing shares (share exchange ratio)
V: number of existing shares need to subscribe N new shares.
C: carrying amount of the share deducted from the balance sheet on the date prior to the capital increase (if the company is listed, the share price on the day before the date of the capital increase is usually selected).
E: amount payable for each newly issued share (issue price).

There will be no preferential subscription rights in the following cases, among others:

- When the capital increase is carried out by increasing the value of the existing shares.
- When the capital increase is due to the conversion of notes into shares, or the absorption of another company as part of a merger, in which case preferential subscription rights are not legally permitted.
- When the new shares are offered as the consideration in a take-over bid, in which case preferential subscription rights are not legally permitted.
- When preferential subscription rights are excluded in the capital increase agreement.

Other capital increases. Increases made through offsetting credits, converting notes into shares and raising the face value of the shares.

In the case of issuing new shares by converting notes into shares and by raising the face value of the shares, no adjustments may be made. Therefore, in the case of convertible notes, the adjustment is made at the time the convertible notes are issued and, in the event of raising the nominal value, no new shares are issued. Increases through offsetting credits will be dealt with on a case by case basis.

B) Capital reductions through the return of shareholders' contributions in cash

In this case the Initial Price will be adjusted, subtracting the amount per share that the Issuer has returned to its shareholders.

C) Share splits

The Initial Price will be adjusted as follows: the Initial Price will be multiplied by the quotient of "shares before the split/shares after the split".

3.2. - Adjustments to be made in cases of acquisitions, mergers and takeovers, insolvency and delisting

A) Acquisitions, mergers and takeovers

For the purposes of issues indexed to the performance of shares or baskets of shares to be made under the Base Prospectus, (a) an acquisition is considered to take place when an institution acquires all or makes an offer to acquire all of the shares that are the Underlying Asset of the security in question, (b) a merger or takeover is considered to have taken place when the Issuer of the shares that are the Underlying Asset merges, by any of the means recognised by the applicable legislation, with another institution, resulting in the exchange of shares or the existence of shares of the company resulting from the merger.

As a result of the events mentioned in each case, the holders of the affected shares may be offered new shares or shares already in circulation, shares and cash, or just cash as consideration.

In cases in which the acquisition, merger or takeover is carried out prior to the securities' Redemption Date, the adjustments to be made by the Calculation Agent to issues indexed to the performance of shares and baskets of shares issued will be as follows:

1) If shares are offered as consideration:

In the case of issues indexed to the performance of shares, the affected shares will be replaced with shares in the resulting company, the company taking over or acquiring company on the basis of the swap ratio established, and the Issuer will make the relevant adjustments to the Initial Value/Price in order to take into account any "peak" that takes place as a result of the swap ratio. If such a substitution is not possible for any reason, the securities will be redeemed early, and the investors paid the resulting early redemption price in each case.
In the case of issues indexed to the performance of baskets, the relevant basket will be adjusted to include the new shares offered as a swap and CaixaBank, at the request of the Calculation Agent, will make the relevant adjustments to the number of shares in the basket and the relevant Initial Value/Price thereof, in order to take into account any "peak" that takes place as a result of the swap ratio, if the Calculation Agent and CaixaBank so deem appropriate, or, otherwise, the affected shares will be removed from the basket and the relevant adjustment made to the Initial Value/Price thereof.

2) If cash is offered as consideration:

In the case of issues indexed to the performance of shares, CaixaBank, at the request of the Calculation Agent, and if it is viable, will replace the underlying shares with shares in the company taking over or acquiring company and make the relevant adjustments to the Initial Value/Price. Otherwise, the securities will be redeemed early, and the investors paid the resulting early redemption price in each case.

In the case of issues indexed to the performance of baskets of shares, CaixaBank, at the request of the Calculation Agent, and if it is viable, will replace the affected shares with shares in the company taking over or acquiring company and make the relevant adjustments to the Initial Value/Price of the basket. Otherwise, the affected shares will be removed from the basket and the relevant adjustment made to the Initial Value/Price thereof.

3) If shares and cash are offered as consideration:

In the case of issues indexed to the performance of shares, CaixaBank, at the request of the Calculation Agent, and if it is viable, will replace the affected shares with shares in the company taking over or acquiring company, using the same swap ratio established, and make the relevant adjustments to the number of shares on the indexing calculation basis and the relevant Initial Value/Price thereof, in order to take into account the cash payment received as a result of the swap. Otherwise, the securities will be redeemed early, and the investors paid the resulting early redemption price in each case.

In the case of issues indexed to the performance of baskets of shares, CaixaBank, at the request of the Calculation Agent, and if it is viable, will replace the affected shares with shares in the company taking over or acquiring company, and make the relevant adjustments to the number of shares on the indexing calculation base and the relevant Initial Value/Price thereof, in order to take into account the cash payment received as a result of the swap. Otherwise, the affected shares will be removed from the basket and the relevant adjustment made to the Initial Value/Price thereof, in order to take into account the cash payment received.

B) Insolvency

In the event of bankruptcy, suspension of payments, or insolvency proceedings that affect the Issuer of shares that are the Underlying Asset of indexed securities issued by CAIXABANK, the entity will act as follows:

- In the case of issues indexed to the performance of shares, it may redeem the securities issued early from the time it becomes aware of the insolvency of the Issuer of the shares that were the Underlying Asset of the securities issued, paying their holders the resulting Early Redemption Price.

- In the case of issuances indexed to the performance of baskets of shares, CaixaBank may remove the affected shares from the basket and make the relevant adjustment to the Initial Value/Price.

C) Delisting.

In the case of issues indexed to the performance of shares, the securities will be redeemed early, and the investors paid the resulting early redemption price in each case. For this purpose, the new redemption date will be a date between the date on which the final delisting of the affected security is announced and the date the delisting takes effect.

In the case of issues indexed to the performance of baskets of shares, the affected shares will be removed from the basket and the relevant adjustment made to the Initial Value/Price thereof, the market price being taken to be the price of the affected shares at the close of the Trading Market on a date between the date on which the delisting is announced and the date it takes effect, or the price offered in the delisting buy-out offer, as the case may be.

The adjustments will be made by the Calculation Agent for the issuance in question.

In all the cases mentioned above and those in which several alternatives are offered to the holders of the affected Underlying Assets, the Calculation Agent will select the option that, in its opinion, is the most beneficial for the holders of the securities issued, and tell the Issuer how to proceed with the issuance in question. The adjustments made will take effect on the Adjustment Date, which will be the day on which the corporate transaction or the event that gives rise to the adjustment takes effect, or a prior date in cases in which the adjustments are due to cases of insolvency or delisting of securities or assets that made up the Underlying Assets.

If due to any of the events stated in section 3.2 above taking place the Issuer or subscriber opts to redeem the securities early and pay the investors the resulting early redemption price in each case, the Calculation Agent will determine such early redemption price in accordance with the value resulting from applying the valuation methods habitually used in the market for that kind of product to the affected securities and use the available quote prices closest to the Redemption Date of the affected securities as the prices of the Underlying Assets.

APPENDIX V - MORTGAGE BONDS

All information set down in this Base Prospectus refers to all mortgage bonds except for that relate specifically to these instruments, as described below and by the specific regulations in force at all times.

4.1. Description of the type and class of the securities

Mortgage bonds are securities representing debt for the Issuer, bearing interest and repayable through early redemption or on maturity. These securities are guaranteed, with no need for registration, by a specific loan portfolio of the issuing entity backed with mortgage loans, executed in public deed, in accordance with prevailing legislation, and by the substitution assets and economic flows generated by the derivative financial instruments linked to each issuance, where these exist.

4.2. Legislation governing the securities

Issuances of mortgage covered bonds are subject to the provisions of Act 2/1981, of 25 March, on mortgage market regulations, and Royal Decree 364/2007, of 16 March, Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, and Royal Decree 1333/2005, of 11 November, on market abuse.

Pursuant to article 13 of Act 2/1981 and article 21 of Royal Decree 716/2009 of 24 April, implementing certain aspects of Act 2/1981, the Issuer of the mortgage bonds must keep a special accounting record of the mortgage loans and credits linked to the issuance, and any substitution assets included, in addition to the financial derivative instruments linked thereto.

4.5. Priority of payment

Mortgage bonds are securities in which the principal and interest are especially secured, with no need for registration, by mortgages, on mortgage loans and credits executed in public deed, in accordance with Act 2/1981, of 25 March, on mortgage market regulations, and Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, without prejudice to its corporate liability, and, any substitution assets stipulated under article 17.2 of Act 2/1981, executed by public deed, and the economic flows generated by the derivative financial instruments linked to each issuance.
All mortgage loans and credits linked to a mortgage bond issuance must meet the requirements set down in section II of Act 2/1981.

The mortgage loans and credit linked to an issuance will be listed in its Final Terms, in addition to any relevant information relating thereto.

The mortgage loans used to secure the issuance of mortgage bonds will be guaranteed with a first mortgage on full ownership.

The records of the mortgage properties to which the loans used to secure the issuances of mortgage bonds refer will be up to date and subject to no conditions or limitations deriving from a failure to carry out the registration process or relating to registrations carried out under article 298 of the Mortgage Act.

The secured loans used for mortgage bonds may not exceed the limits established in Act 2/1981, on mortgage market regulations. The present value of the mortgage bonds must be at least 2% lower than the present value of the mortgage loans and credits attached.

Mortgage bonds may be secured up to a limit of 10% of the principal issued by the substitution assets listed in article 17.2 of Act 2/1981, on mortgage market regulations.

The properties whose mortgage loans are used to secure the issuances of mortgage bonds will have been appraised prior to the securities issuance, and insured according to the provisions of article 10 of Royal Decree 716/2009, of 24 April.

Pursuant to article 14 of Act 2/1981, of 25 March, governing the mortgage market, mortgage bonds will include credit rights for holders vis-a-vis the Issuer and entail execution to claim payment from the Issuer after the maturity date. The holders of these mortgage bonds will be considered special preferential creditors, as stipulated in article 1923.3 of the Civil Code, vis-a-vis any other creditor, in relation to the mortgage loans and credits in question, substitution assets and economic flows generated by any derivative financial instruments associated with the issuance. Holders of mortgage bonds in an issuance will have seniority over holders of mortgage covered bonds when claiming for a loan or credit included in the issuance.

In the event of insolvency of the Issuer, holders of mortgage bonds will be classed as special preferential creditors in accordance with article 90.1.1 of the Insolvency Act.

Without prejudice to the above, pursuant to article 84.2.7 and Final Provision Nineteen of the Insolvency Act, and article 14 of Act 2/1981, of 25 March, on mortgage market regulations, they will be treated as credits against the insolvency state arising from the repayment of capital and interest on the mortgage bonds issued and pending repayment at the insolvency date, up to the amount of the income received by the insolvent entity in relation to the mortgage loans and credits securing the bonds, and from any substitution assets and economic flows generated by the derivative financial instruments linked to the issuances.

If, due to a time gap, the income received by the insolvent party is insufficient to cover these payments, they should be covered by the insolvency practitioners through the liquidation of the substitution assets linked to the issuance, and if this is still insufficient, financing should be raised to meet the payments owed to the bond holders, with the financing party assuming their position. If the same credit or loan were to be used for the payment of covered bonds and a bond issuance, the bond holders would be paid first.

4.7.5. Time limit on the validity of claims to interest and repayment of principal

Pursuant to article 22 of Royal Decree 716/2009, of 24 April, and in accordance with the provisions of article 950 of the Commercial Code, the repayment of the mortgage bonds and payment of interest and premiums related thereto may no longer be claimed three years after their respective maturity.

4.8.2 Redemption methods

Act 2/1981, of 25 March, on mortgage market regulations, establishes that the present value of the mortgage bonds must be at least 2% lower than the present value of the mortgage loans and credits attached. Mortgage bonds may be secured up to a limit of 10% of the principal issued by the substitution assets listed in article 17.2 of Act 2/1981, on mortgage market regulations. The Issuer is obliged to adhere to the percentages established in Act 2/1981 at all times. If, due to the cancellation of the loans or credits, the amount of the mortgage bonds issued were to exceed the limits set down in Act 2/1981, the Issuer may opt to acquire its own mortgage bonds until the correct ratio is re-established, or, if the mortgages linked to the mortgage bond issue are cancelled, replace them with others that meet the required conditions, executing the transaction by public deed. The redemption of mortgage bonds will be carried out in accordance with the law, and the corresponding amounts paid to the holders of the mortgage bonds, including, where applicable, any coupon accrued.

Similarly, the Issuer may redeem the amount of its own mortgage bonds held as a result of secondary market transactions when these exceed fifty per cent (50%) of the total issued.

Early redemptions of mortgage bonds will be announced to the CNMV, the Governing Body of the secondary market on which the securities are admitted to trading, the entity responsible for registering the securities, and the holders of the securities, the latter exclusively at the discretion of the Issuer and in accordance with prevailing legislation, and also via publication in the official gazettes of the secondary markets on which the securities are traded, or in a national newspaper and on the notice boards of the Issuer's branch network.

4.13. Restrictions on the free transfer of the securities

Under prevailing legislation, there are no particular restrictions on the free transfer of these securities, under Act 2/1981, of 25 March, and Royal Decree 716/2009, of 24 April, implementing certain aspects of Act 2/1981, of 25 March, on mortgage market regulations, and they may be transferred without the involvement of a notary public, as stipulated in article 37 of the aforementioned Royal Decree 716/2009. Pursuant to article 39 of Royal Decree 716/2009, of 24 April, the volume of mortgage bonds that the Issuer may hold on its portfolio, with no restriction on permanency, may not exceed 50% of the total issued.

APPENDIX VI - PUBLIC SECTOR COVERED BONDS

All information set down in this Base Prospectus refers to all public sector covered bonds except for that relating specifically to these instruments, as described below, and the specific regulations in force at all times.

4.1. Description of the type and class of the securities

Public sector covered bonds are securities representing debt for the Issuer, bearing interest and repayable through early redemption or on maturity. These securities are issued using as collateral loans and credits extended by the Issuer to central government, regional autonomous communities, local bodies, autonomous community organisations and dependent public business entities and other similar institutions in the European Economic Area, in accordance with prevailing legislation.

4.2. Legislation governing the securities

Public sector covered bond issuances are also subject to the provisions of Act 44/2002, of 22 November, on reform measures for the financial system, amended by Act 14/2013, of 27 September, on support for entrepreneurs and internationalisation.

4.5. Priority of payment

The principal and interest of the public sector covered bonds are especially secured, with no need for registration, by the loans and credits granted by CAIXABANK to the central government, regional autonomous communities, local bodies, in addition to autonomous community organisations and dependent public business entities and other similar institutions in the European Economic Area, in accordance with Act 44/2002, of 22 November, on reform measures for the financial system, without prejudice to its corporate liability.

The total amount of the covered bonds issued may not exceed 70% of the unpaid loans and credits extended to the aforementioned public administrations.

In accordance with article 13 of Act 44/2002, of 22 November, on reform measures for the financial system, the holders of public sector covered bonds will have preferred rights over CaixaBank's credit vis-a-vis the central government, regional autonomous communities, local bodies, autonomous community organisations and dependent public business entities and other similar institutions in the European Economic Area, with regard to the collection of the rights deriving from their ownership of these securities, pursuant to article 1,922 of the Civil Code. Such ownership will confer executive status under the terms set down in the Civil Procedure Act.

In the event of insolvency, holders of public sector covered bonds will be classed as special preferential creditors with regard to claims on the Issuer's credit vis-a-vis public entities in accordance with article 90.1.1 of the Insolvency Act.

Without prejudice to the above, during the insolvency proceedings payments of capital and interest made on the public sector covered bonds issued and pending repayment at the insolvency date will be treated as credits against the insolvency state, up to the amount of the income received by the insolvent entity in relation to the mortgage loans and credits securing the covered bonds, in accordance with article 84.2.7 of the Insolvency Act (Final Provision Nineteen of the Insolvency Act).

4.7.5. Time limit on the validity of claims to interest and repayment of principal

Pursuant to article 950 of the Commercial Code, redemption of these covered bonds and payment of interest and premiums related thereto may no longer be claimed three years after their respective maturity.

4.8.2 Redemption methods

Further, in accordance with article 13 of Act 44/2002, of 22 November, of reform measures for the financial system, the amount of public sector covered bonds issued by the entity may not exceed 70% of the total unpaid loans and credits extended to public administrations.

If this limit is exceed, this must be rectified within three months, with the entity increasing its portfolio of loans and credits extended to public administrations, acquiring its own bonds on the market or by redeeming the bonds by the amount necessary to restore equilibrium, while at the same time covering the difference with a deposit of cash or public funds made at the Bank of Spain.

The redemption of public sector covered bonds will be carried out in accordance with the law, and the corresponding amounts paid to the holders of the instruments, including, where applicable, any coupon accrued.

Redemptions of public sector covered bonds will be announced to the CNMV, the Governing Body of the secondary market on which the securities are admitted to trading, the entity responsible for registering the securities, and the holders of the securities (the latter exclusively at the discretion of Issuer), and also, under current legislation, via publication in the official gazettes of the secondary markets on which the securities are traded, in a national newspaper or on the notice boards of the Issuer's branch network.

APPENDIX VII - FINAL TERMS TEMPLATE

FINAL TERMS
(Name of the issuance)

CAIXABANK, SA

Issuance Amount

Issued under the framework of the 2018 Non-Equity Securities Base Prospectus registered with the Spanish securities market regulator (Comisión Nacional del Mercado de Valores) on 24 July 2018.

The Issuer hereby states that:

a) *The Final Terms have been prepared in accordance with Article 5.4, of Directive 2003/71/EC and should be read in conjunction with the Base Prospectus*[1] *and the supplement(s)* [2]*thereto that may be published.*
b) *The Base Prospectus and its supplement(s) are published on the websites of the Issuer (www.caixabank.com) and the CNMV (www.cnmv.es) in accordance with article 14 of Directive 2003/71/EC.*
c) *To obtain complete information, the Base Prospectus is to be read in conjunction with the Final Terms.*
d) *A summary of this issuance (applicable only for issuances with a unit nominal amount of less than EUR 100,000) is attached as an appendix to these Final Terms.*

The securities described in these Final Terms are issued by CaixaBank, SA, with registered address at Calle Pintor Sorolla 2-4, 46002 Valencia, and tax identification number A-08663619 (hereinafter the "Issuer" or "CaixaBank").

1. DESCRIPTION, CLASS AND CHARACTERISTICS OF THE SECURITIES ISSUED

SPECIFIC TERMS AND CONDITIONS OF THE ISSUANCE *(see Base Prospectus for the general terms and conditions for the type of security issued)*

1. *Nature and denomination of the Securities*

   [Ordinary senior bonds/ Ordinary senior notes/ Non-preference senior bonds/ Non-preference senior notes/ Subordinated bonds/ Subordinated notes/ Tier 2 subordinated bonds/ Tier 2 subordinated notes/ Mortgage covered bonds/ Mortgage bonds/ Public sector covered bonds/ Structured securities – issuance series or tranche] (Delete as appropriate according to the issuance).

   - *ISIN code:*
   - *[Please indicate whether this issuance is fungible with a previous issuance: the securities making up this issuance will be fungible from the issue date with those issued on [ ] for the purposes of "Issuance [ ]", and therefore their terms and conditions will be same as those of the issuance with which it is fungible. Further, the securities included in this issuance may be considered fungible with other similar securities that may be issued subsequently.]*
   - *[If the issuance is not fungible with a previous issuance but may be fungible with a future issuance: the securities included in the issuance may be considered fungible with other similar securities that may be issued subsequently.]*

2. *Issuance Currency:*

[1] The Base Prospectus includes for reference the registration document submitted by CAIXABANK, registered with the CNMV on 12 July 2018.
[2] At the date of the present Terms and Conditions [no supplements to the Base Prospectus have been published/the following supplements to the Base Prospectus have been published]. *(delete or complete as appropriate)*

3. *Issuance Amount:*

- *Nominal amount*
- *Cash amount*

4. *Unit value of the securities:*

- *Unit nominal amount:*
- *Number of securities:*
- *Issue Price:*
- *Initial Cash Amount:*

5. *Issuance/Disbursement date:*

6. *Maturity date:*

7. *Fixed Interest Rate:*

- *(N/A; % payable: annually, six-monthly, quarterly, other)*
- *Calculation base for the accrual of interest:*
- *Business day convention:*
- *Start date of interest accrual:*
- *Irregular amounts:*
- *Coupon payment dates:*

8. *Floating interest rate:*

- *(N/A; Euribor/Libor/other) +/- (%); payable: annually, six-monthly, quarterly, other).*
- *Type of underlying: (N/A; Reference interest rate):*
- *[The reference index used was created by (Name of registered entity), filed in the register of reference indexes pursuant to article 36 of Regulation (EU) 2016/2011 of the European Parliament and of the Council, of 8 June 2016, on the use of reference indexes in financial instruments.]Relevant screen:*
- *Name/s and description of the underlying instrument/s:*
- *Indication of where information can be obtained on the past and future performance of the underlying and its volatility:*
- *Calculation formula:*

  (complete the formula)

$$C = \frac{N * i * d}{Base * 100}$$

- *Applicable margin:*
- *Applicable interest rate calculation dates:*
- *Rounding specifications: (including the number of decimal places):*
- *Calculation base for the accrual of interest:*
- *Business day convention:*
- *Start date of interest accrual:*
- *Coupon payment date:*
- *Irregular amounts:*
- *Minimum rate: (N/A-(%))*
- *Maximum rate (N/A-(%))*
- *Procedure for publishing new interest rates set:*
- *Late payment interest [ ]*

9. *Indexed interest rate:*

- *Type of underlying (N/A; /security/index/interest rate/other/basket of underlyings) (Applies only for indexed interest rates) (If this information is the same as the information for early or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms). [The reference index used was created by (Name of registered entity), filed in the register of reference indexes pursuant to article 36 of Regulation (EU) 2016/2011 of the European Parliament and of the Council, of 8 June 2016, on the use of reference indexes in financial instruments.]*
- *Name/s and description of the underlying instrument/s: (including, where applicable, the ISIN code) (Applies only for indexed interest rates) (If this information is the same as the information for the type of underlying included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Indication of where information can be obtained on the past and future performance of on the underlying and its volatility: (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Weighting of the underlying: (applies only for baskets)*
- *Applicable margin:*
- *Applicable interest rate calculation dates:*
- *Rounding specifications: (including the number of decimal places)*
- *Calculation base for the accrual of interest:*
- *Coupon payment date:*
- *Irregular amounts*
- *Minimum rate: (N/A- (%))*
- *Maximum rate: (N/A- (%))*
- *Procedure for publishing new references/yields set:*
- *Procedures for publishing new references/yields set:*
- *Calculation formula: (keep only the formula applicable and complete the formula with the data specific to the issuance):*

a) *For issuances indexed to the performance of an underlying asset:*

- *where indexed to a positive performance:*

*I= N*Min{Y%, Max (P%*((Pf-Pi)/Pi)),X%)}*

- *where indexed to a negative performance:*

*I= N*Min{Y%, Max (P%*((Pi-Pf)/Pi)),X%)}*

b) *For issuances indexed to the performance of a basket of underlying assets:*

- *where indexed to a positive performance:*

$$I = N * Min\left[Y\%, \mathrm{Max}\left[P\%\left(N1\% * \frac{Pf1 - Pi1}{Pi1} + N2\% * \frac{Pf2 - Pi2}{Pi2} + ... + Nn\% * \frac{Pfn - Pin}{Pin} \right), \mathrm{X}\% \right] \right]$$

- *where indexed to a negative performance:*

$$I = N * Min\left[Y\%, \mathrm{Max}\left[P\%\left(N1\% * \left(\frac{Pi1 - Pf1}{Pi1} \right) + N2\% * \left(\frac{Pi2 - Pf2}{Pi2} \right) + ... + Nn\% * \left(\frac{Pin - Pfn}{Pin} \right) \right), \mathrm{X}\% \right] \right]$$

Where:
I = Interest or yield on the security issued
N = Nominal amount of the security issued
X% = Minimum yield for the security holder
Y% = Maximum yield for the security holder

P% = Percentage held by the security holder in the spread between the Initial Value/Price and Final Value/Price of the Underlying Asset
Pi = Initial Value/Price of the Underlying Asset
Pf= Final Value/Price of the Underlying Asset
N% - Percentage held of each component of the basket making up the Underlying Asset, considering that N1%+N2%+...+Nn% = 100%

The Initial Price and/or Final Price of the Underlying Asset may be a value at a specified date or an average value, or the maximum/minimum value at various specified dates.

10. *Interest rate with a structure linked to an underlying:*

- *Type of underlying: (N/A; /security/index/interest rate/other/basket of underlyings) (If this information is the same as the information for early or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Name/s and description of the underlying instrument/s: (including, where applicable, the ISIN code) (If this information is the same as the information for early redemption and/or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms):*
- *Indication of where information can be obtained on the past and future performance of on the underlying and its volatility: (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Weighting of the underlyings: (applies only for baskets) (If this information is the same as the information for early redemption or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Calculation formula: (keep the structures/formulae shown below where applicable and include all information –dates, prices, barriers, etc.- required by any structure for which there is no specific paragraph in this section).*

Bullish digital coupon

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment
Coupon A is greater than Coupon B

Bearish digital coupon

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment
If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Coupon A is greater than Coupon B

Digital memory coupon

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:

If t=1; Coupon A=XX% x Nominal amount of the investment x 1
If t=2; Coupon A=XX% x Nominal amount of the investment x 2
If t=3; Coupon A=XX% x Nominal amount of the investment x 3
…………..
If t=N; Coupon A=XX% x Nominal amount of the investment x N

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Digital memory coupon (eliminating coupons received)

*Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:**:***

If t=1; Coupon A=XX% x Nominal amount of the investment x 1
If t=2; Coupon A=XX% x Nominal amount of the investment x 2 – coupons received in previous periods
If t=3; Coupon A=XX% x Nominal amount of the investment x 3 – coupons received in previous periods
…………..
If t=N; Coupon A=XX% x Nominal amount of the investment x N – coupons received in previous periods

Price appreciation coupon

*Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:**:***

$$\text{Coupon A} = \text{Nominal amount of the Investment x Min}\left[\text{Y\%}, \text{Max}\left[\text{P\%}\left(\frac{\text{Pf}_t - \text{Pi}}{\text{Pi}}\right); \text{X\%}\right]\right]$$

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Capped price appreciation coupon

*Provided that the Product is valid, it will pay a coupon, at the corresponding Payment Date (t), in accordance with the following formula**:***

$$\text{Coupon} = N * \text{Min}\left[Y\%, \text{Max}\left[P\% * \text{Max}\left(\frac{PR1-Pi}{Pi}; \frac{PR2-Pi}{Pi}; ......; \frac{PRN-Pi}{Pi}\right); X\%\right]\right]$$

where PR is the Reference Price (T) at each Reference Price Determination Date (T), for T=1,…,N

Price appreciation coupon on absolute variation

*Provided that the Product is valid, if the absolute variation in the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, calculated according to the following formula:**:***

$$\text{Coupon A} = \text{Nominal Amount of the Investment x Min}\left[Y\%; \text{Max}\left[P\%\left(\frac{|Pf_t - Pi|}{Pi}\right); X\%\right]\right]$$

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Coupon Barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Price appreciation coupon with knock-out

*Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to higher than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, which could be zero, calculated according to the following formula:**:***

Coupon A=YY% x Nominal amount of the investment

*If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is equal to lower than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, calculated according to the following formula**:***

$$\text{Coupon B} = \text{Nominal amount of the investment x Min}\left[Y\%; \text{Max}\left[P\%\left(\frac{Pf_t - Pi}{Pi}\right); X\%\right]\right]$$

Price depreciation coupon with knock-out

Provided that the Product is valid, if the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is lower than its Knock-out barrier (XX% of its Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon A, which could be zero, calculated according to the following formula::

Coupon A=YY% x Nominal amount of the investment

Coupon B = Nominal amount of the investment x Min $\left[Y\%;Max\left[P\%\left(\frac{Pi-Pf_t}{Pi}\right);X\%\right]\right]$

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates (T), for T=1,…,N, is or higher than its Knock-out barrier (XX% of its

Initial Price), the Product will pay, at the corresponding Payment Date (t), for t=1, …,N, a Coupon B, calculated according to the following formula:

Outperformance coupon

*Provided that the Product is valid****, two groups of underlyings are established;***

Group A = (Underlying A(1); Underlying A(2);………;Underlying A (n))

Group B = (Underlying B(1); Underlying B(2);………;Underlying B (m))

If at any of the Reference Price Determination Dates (T), for T=1,…,N, the following condition is met:

$$\mathrm{Min}_{i=1\ldots n}\left[\left(\frac{\mathrm{UnderlyingA(i,T)}}{\mathrm{UnderlyingA(i,0)}}-1\right)\right] \geq \mathrm{Max}_{i=1\ldots m}\left[\left(\frac{\mathrm{UnderlyingB(i,T)}}{\mathrm{UnderlyingB(i,0)}}-1\right)\right]$$

I.e. if the percentage change in the price of the worst-performing underlying in group A is equal to or higher than the percentage change in the worst-performing underlying in group B, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment

Otherwise, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Outperformance coupon with price appreciation

*Provided that the Product is valid****, two underlyings are established;***

Underlying A and Underlying B

If at one or all (as indicated in the Final Terms) of the Reference Price Determination Dates (T), for T=1,…,N, the following condition is met:

$$\left[\left(\frac{\mathrm{UnderlyingA(T)}}{\mathrm{UnderlyingA(0)}}-1\right)\right] \geq \left[\left(\frac{\mathrm{UnderlyingB(T)}}{\mathrm{UnderlyingB(0)}}-1\right)\right]$$

I.e. if the percentage change in the price Underlying A is equal to or higher than the percentage change in Underlying B, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon A, calculated according to the following formula:

$$\mathrm{Coupon\ A} = \mathrm{Nominal\ amount\ x\ Min}\left[\mathrm{Y\%; Max}\left[\mathrm{P\%}\left(\left(\frac{\mathrm{Underlying\ A(T)}}{\mathrm{Underlying\ A(0)}}\right)-\left(\frac{\mathrm{Underlying\ B(T)}}{\mathrm{Underlying\ B(0)}}\right)\right);\mathrm{X\%}\right]\right]$$

Otherwise, the Product will pay, at the corresponding Payment Date (t), for t=1,…,N, a Coupon B, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Range accrual coupon

*For one or more underlying/s, where S=1.2.3,...,n, provided that the Product is valid, it will pay, at the corresponding Payment Date (t), for t=N, a Coupon A, in accordance with the following formula**:***

Coupon A= Nominal amount of the investment x (Coupon$_{(1)}$*+ Coupon*$_{(2)}$*+……+ Coupon*$_{(n)}$*)*

where:

$$\mathrm{Coupon}_{(1)} = \mathrm{CA\%x}\left(\frac{n_{(i)}}{N_{(i)}}\right)$$

Where:
CA%=Target accumulating coupon.
i=Observation period (1.2,…,N)
$n_{(i)}$=number of observations in the observation period (i) that are trading days for the underlyings, s=1.2.3,…,n, where the Reference Price (PR) of each and every underlying is equal to or higher than the Low Coupon Barrier (XX% of its Initial Price) and/or equal to or lower than its High Coupon Barrier (YY% of its Initial Price). $N_{(i)}$=total number of observations in the observation period (i) that are trading days for the underlyings, s=1.2.3,…,n.
If both the aforementioned Coupon Barriers exist, the Low Coupon Barrier XX% will always be lower than the High Coupon Barrier YY%.
Observations in the observation period may be daily, weekly, monthly, yearly, etc…

Digital cliquet coupon

Provided that the Product is valid, it will pay a Coupon A, at the corresponding Payment Date (t), in accordance with the following formula:

Coupon A=XX% x Nominal amount of the investment

Provided that the sum of the variations at each Reference Price Determination Date (limited to a maximum of NN%) of the Underlying is equal to or higher than 0%, in accordance with the following formula:

$$\sum_{i=1}^{N} \min\left(\mathrm{NN\%}; \frac{PR(i+1) - PR(i)}{PR(i)}\right)$$

where:
Reference Price (PR(i)): Official Closing Price of the Underlying at each Reference Price Determination Date, for i=1.2.3,…,N.
Otherwise:
Coupon B=YY% x Nominal amount of the investment
The N variations in the Underlying are calculated, which may be positive or negative.
Positive variations in excess of NN% are replaced with an NN%.
Negative variations are recognised at value, without limit.

If the sum of the positive and negative variations is equal to or higher than 0, the customer will receive a Coupon A. If the sum of the positive and negative variations is lower than 0, the customer will receive a Coupon B, which could be zero.

Lock-in coupon

Provided that the Product is valid, if the Reference Price of the Underlying at the Reference Price Determination Date (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of its Initial Price), the Product will pay on the corresponding Payment Date, and subsequent Payment Date, a Coupon A, calculated according to the following formula, and the Underlying Price observation will no longer be required in subsequent Reference Price Determination Dates or Final Price Determination Dates:

Coupon A=XX% x Nominal amount of the investment

Otherwise the Product will pay no coupon at the Payment Date (t), and the Reference Price will be observed at the second Reference Price Determination Date.

Lock-in memory coupon

Provided that the Product is valid, if the Reference Price of the Underlying at the Reference Price Determination Date (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX%

of its Initial Price), the Product will pay on the corresponding Payment Date, and subsequent Payment Date, a Coupon, calculated according to the following formula, and the Underlying Price observation will no longer be required in subsequent Reference Price Determination Dates or Final Price Determination Dates:

If PR(t) ≥ Capital Barrier in	*Payment Date t=1*	*Payment Date t=2*	*Payment Date t=3*	*Payment Date t=...N*
t=1	*XX% * (INI)*	*XX%*(INI)*	*XX%*(INI)*	*XX*(INI)*
t=2	*0%*	*2*XX%*(INI)*	*XX%*(INI)*	*XX*(INI)*
t=3	*0%*	*0%*	*3*XX%(INI)*	*XX*(INI)*
...				
t=N	*0%*	*0%*	*0%*	*N*XX*(INI)*

Where INI=Nominal amount of the investment.

If the Reference Price of the Underlying at none of the Reference Price Determination Dates (T), for T=1,…,N, is equal to or higher than its Coupon Barrier (XX% of the Initial Price), the Product will pay, at the corresponding Payment Date, a Coupon, which could be zero, calculated according to the following formula:

Coupon B=YY% x Nominal amount of the investment

Asian coupon

Provided that the Product is valid, it will pay a Coupon A, at the corresponding Payment Date (t), in accordance with the following formula:

Coupon A=XX% x Nominal amount of the investment

Where the yield is the average gain made by the underlying (based on regular observations) with respect to the initial reference price

$$\text{Yield} = \text{Min}\left[\text{Y\%}; \text{Max}\left(\text{P\%} * \left(\frac{\frac{1}{N}\sum_{i=1}^{N}\text{PR}_{(i)}}{\text{PI}} - 1\right); \text{X\%}\right)\right]$$

where:
Periodic Reference Price (PR(i))=Official Closing Price of the Underlying at each Reference Price Determination Date, for i=1.2.3,…,N.

Mixed coupon

Provided that the Product is valid, for a percentage (ZZ%) of the nominal amount of the investment, the Product would be partly redeemed at the corresponding Partial Redemption Date and will pay Fixed Coupon Payment Date, a Coupon A, calculated according to the following formula:

Coupon A=XX% x Nominal amount of the investment x ZZ%

For this percentage (ZZ%), the structure would function like a fixed income issue, guaranteeing a specific coupon at the Partial Redemption Date.
For a percentage (1-ZZ%) of the Nominal amount of the investment, the structure would function like a structured issuance as described in Appendix VII.

Guaranteed coupons

For any type of structure, one or more coupons of XX% x Nominal amount of the investment payable at one or more predetermined dates can be guaranteed.

Common provisions

Any of the yield formulae indicated above or the redemption structures indicated below may be indexed to:

a) a single reference rate, security, index or asset,
b) a basket of these,
c) the best in a basket, defined as:

For various underlyings (i), where i=1.2,…,n

The best-performing asset in a basket meets the following conditions:

$$\mathrm{Max}_{i=1,2\ldots n}\left[\left(\frac{\mathrm{Underlying(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$$

d) the worst-performing asset in a basket, defined as:

$$\mathrm{Min}_{i=1,2\ldots n}\left[\left(\frac{\mathrm{Underlying(i)}_{PF,PR}}{\mathrm{Underlying(i)}_{PI}}\right)\right]$$

Further, any of the references described above may be combined and therefore there may be differences between the yield formula and the early or final redemption structure. This means that the reference used for the yield formula may be the same or different from the reference used for the redemption formula.

The Initial Price and/or Final Price of the Underlying Asset may be a value at a specified date or an average value, or the maximum/minimum value at various specified dates.

11. *Zero coupon: (N/A-Yes)*
    Price and redemption premium (where applicable)

12. *Early redemption or cancellation options*

    - *Type: (Issuer option/ Investor option/ Automatic cancellation)*
    - *Eligible Liabilities Event: (N/A/ Applicable)*
    - *Capital Event: (N/A/ Applicable)*
    - *Tax Event: (N/A/ Applicable)*
    - *Redemption amount/s: (Total/Partial - % of nominal and/or nominal amount to be redeemed in euros)*
    - *Early redemption structure: (N/A- (keep the structures/formulae shown below where applicable and include all information –dates, prices, barriers, etc.- required by any structure for which there is no specific paragraph in this section)).*

    Option 1:

    If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates for t=1,…,N-1, is the same or higher than its Cancellation Barrier (XX% of its Initial Price), the Product would be redeemed early at the corresponding Payment Date, and the investor would receive 100 per cent of the nominal amount invested.

Option 2:

If the Reference Price of the Underlying at one or all (as indicated in the Final Terms) Reference Price Determination Dates for t=1,…,N-1, is the same or lower than its Cancellation Barrier (XX% of its Initial Price), the Product would be redeemed early at the corresponding Payment Date, and the investor would receive 100 per cent of the nominal amount invested.

- *Type of underlying. (N/A; /security/index/interest rate/other/basket of underlyings) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Name/s and description of the underlying instrument/s: (including, where applicable, the ISIN code) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Indication of where information can be obtained on the past and future performance of the underlying and its volatility: (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms)*
- *Weighting of the underlyings: (applies only for baskets) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Initial price of the underlying asset: (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Disclosures relating to the underlying asset. (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Early redemption and/or automatic cancellation:*
- *Early redemption price/s: (N/A-(% of nominal)*

13. *Final redemption date and redemption system:*

- *Date: (xx/perpetual)*
- *Final redemption price: (N/A – (% of nominal))*
- *Final redemption structure: (N/A- (keep the structures/formulae shown below where applicable and include all information –dates, prices, barriers, etc.- required by any structure for which there is no specific paragraph in this section)).*

Option 1:

If there is no early redemption, and no Capital Barrier (or where a Capital Barrier exists this is 100% of its Initial Price), when the Final Price of the Underlying is the same or higher than its Initial Price, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is the same or higher than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is lower than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, which may be fixed or variable. The variable amount will be determined according to whether the capital loss is calculated on the Initial Price, or the Capital Barrier, as described below:

Redemption at Maturity Date = Nominal Investment Amount x Percentage IN

Percentage IN is a fixed or variable percentage of the Nominal Amount:

- *Fixed percentage:*

  Percentage IN= YY%

- *The variable percentage will be determined according to whether the capital loss is calculated on the Initial Price (PI) or the Capital Barrier (BC):*

  - *If the loss is based on the Initial Price:*

    Percentage IN= (PF/PI)

  - *If the loss is based on the Capital Barrier:*

    Percentage IN= (PF/Capital Barrier)

If the underlying asset performs poorly (i.e. the Final Price of the Underlying is 0), the investor may lose all the initial investment.

Option 2:

If there is no early redemption, and provided that during the observation period the Underlying does not close at a price that is lower than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and provided that during the observation period the Underlying does not close at a price that is lower than the Capital Barrier (xx% of its Initial Price), and the Final Price of the Underlying is:

- *Lower than the Initial Price, the Product would be redeemed at the maturity date, and the investor would receive a fixed or variable percentage of the nominal amount invested. The variable amount will be determined according to whether the capital loss is calculated on the Initial Price, or the Capital Barrier, as described below:*

  Redemption at Maturity Date = Nominal Investment Amount x Percentage IN

  Percentage IN is a fixed or variable percentage of the Nominal Amount:

  - *Fixed percentage:*

    Percentage IN= YY%

  - *The variable percentage will be determined according to whether the capital loss is calculated on the Initial Price (PI) or the Capital Barrier (BC):*

    - *If the loss is based on the Initial Price:*

      Percentage IN= (PF/PI)

    - *If the loss is based on the Capital Barrier:*

      Percentage IN= (PF/Capital Barrier)

  If the underlying asset performs poorly (i.e. the Final Price of the Underlying is 0), the investor may lose all the initial investment.

- *Higher than the Initial Price, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.*

Option 3:

If there is no early redemption, and the Final Price of the Underlying is the same or higher than the Capital Barrier (xx% of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

If there is no early redemption, and the Final Price of the Underlying is lower than the Capital Barrier (xx of its Initial Price), the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, calculated according to the following formulae and depending on whether the capital loss is calculated on the Initial Price or the Capital Barrier.

Loss based on the Initial Price (PI):

$$\text{Percentage IN} = \text{Max}\left[\text{X\%;1-}\left[\text{f}*\left(\frac{\text{PI - PF}}{\text{PI}}\right)\right]\right]$$

Loss based on the Capital Barrier:

$$\text{Percentage IN} = \text{Max}\left[\text{X\%;1-}\left[\text{f}*\left(\frac{\text{Capital Barrier - PF}}{\text{PI}}\right)\right]\right]$$

f = adjustment factor for leveraging or deleveraging, where f=0,…...,n

X% = percentage of the nominal amount guaranteed.

If the underlying asset performs poorly, the investor may lose all the initial investment, even if the final price of the underlying is higher than 0, provided that X% equals 0%.

***Option 4**:*

Any of the formulae established to calculate the redemption at maturity may be indexed to a single reference, rate, security, index or asset, or basket thereof, the best-of option in a basket, or worst-of option in a basket, as follows:

For various underlyings (i), where i=1.2,…,n

The best performing asset in a basket that meets the following conditions:

$$\left[\text{Max}_{i=1,2...n}\left(\frac{\text{Underlying(i)}_{\text{PF}}}{\text{Underlying(i)}_{\text{PI}}}\right)\right]$$

The worst performing asset in a basket that meets the following conditions:

$$\left[\text{Min}_{i=1,2...n}\left(\frac{\text{Underlying(i)}_{\text{PF}}}{\text{Underlying(i)}_{\text{PI}}}\right)\right]$$

***Option 5**:*

Two underlyings are defined: Underlying A and Underlying B
*If there is no Early Redemption**,** and at any or all (according to the Final Terms) of the Reference Price Determination Dates (T), for T=1,…N, the following condition is met:*

$$\left[\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}-1\right)\right] \geq \left[\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyingB(0)}}-1\right)\right]$$

In other words, if the percentage change in the price of Underlying A is equal to or higher than the percentage change in the price of Underlying B, the Product would be redeemed at the maturity date, and the investor would receive 100 per cent of the nominal amount invested.

Otherwise, el the Product would be redeemed at the maturity date, and the investor would receive a percentage of the nominal amount invested, calculated as follows:

$$\text{Percentage IN} = \text{Max}\left[1+\left(f*\left(\left(\frac{\text{UnderlyingA(T)}}{\text{UnderlyingA(0)}}\right)-\left(\frac{\text{UnderlyingB(T)}}{\text{UnderlyingB(0)}}\right)\right)\right);X\%\right]$$

Where:

f = adjustment factor for leveraging or deleveraging, where f=0,…..,n

X% = percentage of the nominal amount guaranteed.

If the variation change in Underlying A performs poorly in comparison to the variation in Underlying B, the investor may lose all of the initial investment, even if the final price of Underlying A is higher than 0, provided that X% equals 0%.

- *Type of underlying: (N/A; /security/index/interest rate/other/basket of underlyings) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Name/s and description of the underlying instrument/s: (including, where applicable, the ISIN code) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Indication of where information can be obtained on the past and future performance of the underlying and its volatility: (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms)*
- *Weighting of the underlyings: (applies only for baskets) (Applies only for early redemption structures) (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Initial price of the underlying asset: (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*
- *Disclosures relating to the underlying asset. (If this information is the same as the information for coupon payments or final redemption included in the Final Terms, indicate only where it can be found in the Final Terms).*

14. *Substitution assets and/or indexed financial derivatives:*

(Yes/No) (applies only for mortgage covered bonds and public sector covered bonds)

15. *IRR for the Buyer of the Securities: [x.xx%] (include calculation assumption when yields are not pre-set)*

16. *Representation of the investors and rights attached to the securities:*

Representation of the investors:

- *Formation of the syndicate: (Yes/No) (applies only for mortgage covered bonds, mortgage bonds and public sector covered bonds)*
- *Representative details*

Limits on the rights attached to the securities: N/A / describe

DISTRIBUTION AND PLACEMENT

17. *Potential subscribers to whom the issuance is addressed:*

18. *Minimum/maximum subscription amount: (N/A; describe)*

19. *Subscription Period:*

20. *Public offer period and description of the subscription process: (applies only if the unit nominal amount is less than EUR 100,000)*

21. *Procedure for allotment and placement of the securities: (applies only if the unit nominal amount is less than EUR 100,000)*

22. *Securities payment and delivery methods and periods (applies only if the unit nominal amount of the securities is less than EUR 100,000).*

23. *Publication of results: (applies only if the unit nominal amount is less than EUR 100,000)*

24. *Lead Managers: (applies only if the unit nominal amount is less than EUR 100,000)*

25. *Underwriters: (Address, details of the underwriting agreement, date, uncovered portion and global amount of the underwriting fee - applies only if the unit nominal amount of the securities is less than EUR 100,000)*

26. *Dealers: (Address, global amount of the underwriting fee - applies only if the unit nominal amount of the securities is less than EUR 100,000)*

27. *Coordinators: (applies only if the unit nominal amount is less than EUR 100,000)*

28. *Counterparties and Liquidity Obligations: (N/A; describe)*

OPERATIONAL INFORMATION FOR THE SECURITIES

29. *Payment Agent (name and address of the entity)*

30. *Depositaries (name and address of the entities)*

31. *Calculation Agent:*

32. *Relevant payment calendar in relation to the Issuance:*

33. *Liquidity providers: (N/A/ Name and main features of the liquidity agreement)*

34. *Settlement of the securities: Iberclear [and Euroclear /Clearstream] (delete as appropriate)*

OTHER KEY INFORMATION ON THE SECURITIES AND THE ISSUANCE

35. *Issuance resolutions: The resolutions authorising the issuance, which are in full force at the date of these Final Terms, are as follows:*

36. *Rating: (include a brief explanation if the unit nominal amount is less than EUR 100,000)*

37. *Cost of issuance and admission to trading (delete "issuance" if the unit nominal amount is equal to or higher than EUR 100,000)*

Item	***Amount***
CNMV fee for admission to trading	
Admission to trading on AIAF	
IBERCLEAR and registration fees	
Placement and underwriting fees	
Other	
Total costs	

(delete "underwriting and placement fees" if the unit nominal amount is equal to or higher than EUR 100,000)

38. *Including the costs set out in the preceding table, net proceeds amount to: (delete if the unit nominal amount is equal to or higher than EUR 100,000):*

39. *Regulated markets on which securities of the same class issued by CaixaBank are admitted to trading:*

40. *Particular interests of natural and legal persons taking part in the issuance:*

41. *Reasons for the issuance and use of proceeds (does not apply if the unit nominal amount is equal to or higher than EUR 100,000)*

OTHER ADDITIONAL INFORMATION (Information at the option of the Issuer)

42. *Additional disclosures not required in the securities note related to the underlying.*

43. *Examples: (Include different scenarios) (applies only for structured securities).*

44. *Country or countries which in which the securities are offered publicly: (indicate country or countries)*

45. *Country and market in which application for admission to trading is made: (indicate country and market)*
    These Final Terms include the information needed for the issuance and admission to trading of the securities in the market mentioned above.

46. *Type of remuneration for the funds provided: (applies only if predetermined, in which case indicate)*

47. *Information on the independent expert report (applies only if predetermined, in which case indicate)*

CAIXABANK, SA *By*

XXXXXXXX *(position)*

APPENDIX VIII - GLOSSARY

In order to interpret the terms contained in this Base Prospectus and Final Conditions corresponding to each issuance, and unless otherwise specified, the terms below will have the following meaning:

Underlying asset: means the asset whose price performance, measured at different moments in time, determines, at maturity or at the dates specified for this purpose for the issuance in question, the payment made to owners of the issuance of a positive, negative or zero yield, depending on the performance of this asset.

Calculation base: means the number of days of the year used for the purpose of calculating interest or yields.

CRR: means EU Regulation 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms.

Business day: means a day when the TARGET2 system is open and retail banks are open for financial transactions under the terms indicated in the Final Terms of each issuance.

Trading day: any day that (unless the market is suspended) that is a trading day and on which the Trading Market and the Related Trading Market are open for transactions, unless these markets close prior to their normal closing time.

BRRD: means EU Directive 2014/59 establishing the framework for the restructuring and resolution of credit institutions**.**

Reference Entity: means a financial institution that stands out for its activity on the market of a specific underlying asset or other assets that serve as a reference to determine the yield or interest for a specific issuance.

Closing date: means the date on which the Issuer (or the entities placing each issuance) will no longer accept subscriptions for the securities issued under this Base Prospectus.

Disbursement date, means the date on which the effective issue price of the securities in each issuance is paid.

Issuance date: means the date on which the corresponding legal instrument or any other instrument established in the Final Terms of each issuance comes into effect.

Start date of interest accrual or yields: means the date from which interest or yields corresponding to an issuance or an interest period are paid.

Settlement date: means the date on which the Issuer, or where applicable, the Calculation Agent, calculates the settlement amount, using the yield settlement formula applicable for each issuance.
Payment date/s: means the date/s on which the Issuer will pay the settlement, interest, coupon or other yield amount/s corresponding to the holders of the securities of each issuance.

Valuation date: date on which the Calculation Agent will determine or perform a valuation of the prices or levels of the Underlying Asset to establish the Initial Price and Final Price, unless the market is suspended on any of these dates, in which case the rules indicated for this circumstance will apply. It also means the date on which Calculation Agent, or where applicable, the Issuer, determines the reference rates for the calculation and determination of the interest or coupons payable in the case of issuances with a floating interest rate.

Maturity, Redemption or Repayment Date means the date on which the terms of the securities issued expires and they are redeemed.

Settlement amount: means the amount thrown up by yield calculation formula for each indexed issuance. This amount will be paid by the Issuer to the holders of the corresponding securities, on the established dates, if the formula results in an amount payable to the security holders.

Early redemption price: means the amount that the Issuer, where applicable, will pay to the securities holder in the event the issuance is redeemed early

Nominal amount: means the amount used in the settlement formula or to calculate the interest or yield corresponding to each security in an issuance.

Margin: means, in relation to issuances where interest is determined based on a Reference Interest Rate, the positive or negative margin applied on the selected Reference Interest Rate to determine the interest rate of the issuance in each Interest Period.

Trading Market: means (a) with respect to an index, a basket of indexes or interest rate, the organised market or trading system specified for each index or interest rate in the Final Terms of each issuance, and (b) with respect to a share or a basket of shares, commodity or other Underlying Assets, the organised market or trading system specified for each Underlying Asset in the Final Terms of each issuance, bearing in mind that if any asset that is or forms part of the basket which acts as the Underlying Asset ceases to trade for any reason on the organised market or trading system specified as the Trading Market, the Issuer will inform the holders of the securities of an alternative organised market or trading system on which the asset in question can be traded.

Related Trading Market: means the organised market or trading system specified in the Final Terms for each issuance.

Valuation Time: means, at each Valuation Date, the time or moment specified in the Final Terms for this purpose, or if no time or moment has been specified, means the closing time of the corresponding Trading Market.

MREL: means the "minimum requirements for own funds and eligible liabilities" of credit institutions pursuant to the BRRD, established according to article 45 of this regulation (as transposed in Spain, Delegated Regulation (EU) 2016/1450 of the Commission of, 23 May 2016 (the Directive), supplementing Directive 2014/59/EU of the European Parliament and of the Council in relation to regulatory technical standards that specify the criteria of the methodology used to calculate minimum requirements for own funds and eligible liabilities, or any successive requirements under EU legislation or under the corresponding Spanish legislation and implementing regulations.

Interest Period: means, in relation to issuances where interest is determined based on a Reference Interest Rate, the period in which the Reference Interest Rate is applied to determine each coupon or the interest to be paid for each issuance.

Initial Price or Interest Rate: means, for indexed issuances, the price of the Underlying Asset initially set that will be used by the Issuer as the initial reference price of the Underlying Asset to determine, through the application of a settlement formula if this is a Settlement Amount, on the established date/s, the amount payable to the holders of the corresponding securities. It may also be called the Initial Level of the Underlying Asset.

Settlement Price or Interest Rate: means, for indexed issuances, the price of the Underlying Asset that will be used by the Issuer as the final reference price of the Underlying Asset to determine, through the application of a settlement formula if this is a Settlement Amount, on the established date/s, the amount payable to the holders of the corresponding securities. It may also be called the Final Level of the Underlying Asset.

Issue Price: means the cash price payable for the securities issued.

Redemption or Repayment Price: means the amount, expressed on the nominal amount of each security, that the Issuer will pay to the securities holder in the event the securities are redeemed or repaid.

TARGET2 System: means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) system.

Reference Interest Rate: means, for floating rate issuances, the interest rate established as a reference to set the interest payable on those issuances.

The terms used for any issuance made under the Base Prospectus may be defined by the Issuer in the Final Terms of the corresponding issuance.

<u>Specific terms relating to structured securities:</u>

Initial Price of the Underlying Asset (PI): means the Official Closing Price of the Underlying at each Initial Price Determination Date. The Initial Price may be the minimum price, the maximum price or the average price (simple arithmetic mean) of the official closing prices of the underlying in a specified period of days.

Final Price of the Underlying Asset (PF): means the Official Closing Price of the Underlying at each Final Price Determination Date. The Final Price may be the minimum price, the maximum price or the average price (simple arithmetic mean) of the official closing prices of the underlying in a specified period of days.

Reference Price of the Underlying (PR): means the Official Closing Price of the underlying at each Reference Price Determination Date.

Cancellation Barrier: XX% of the Initial Price of the Underlying Asset.

Upward-adjusted: for Structured Fixed Asset Securities means that when the Reference Price of the Underlying, at any of the Reference Price Determination Dates, is the equal to or higher than its cancellation barrier, the Product would be redeemed early and the investor will receive 100 per cent of the amount invested.

Downward-adjusted: for Structured Fixed Asset Securities means that when the Reference Price of the Underlying, at any of the Reference Price Determination Dates, is the equal to or lower than its cancellation barrier, the Product would be redeemed early and the investor will receive 100 per cent of the amount invested.

Coupon Barrier: XX% of the Initial Price of the Underlying Asset. It may be adjusted upwards or downwards.
Upward-adjusted: means that when the Reference Price of the Underlying, at any of the Reference Price Determination Dates, is the equal to or higher than its coupon barrier, the Product will pay a coupon, the amount of which will be determined in the Final Terms of the Issuance.
Downward-adjusted: means that when the Reference Price of the Underlying, at any of the Reference Price Determination Dates, is the equal to or lower than its coupon barrier, the Product will pay a coupon, the amount of which will be determined in the Final Terms of the Issuance.

Capital Barrier: XX% of the Initial Price of the Underlying Asset.
Upward-adjusted: means that when the Reference Price of the Underlying, at any of the Final Price Determination Dates, is higher than the capital barrier, the investor will recover a % of the value of the investment.
Downward-adjusted: means that when the Reference Price of the Underlying, at any of the Final Price Determination Dates, is equal to or lower than the capital barrier, the investor will recover a % of the value of the investment.

APPENDIX IX - REFERENCE INFORMATION

Pursuant to article 5 of EHA Order/3537/2005, of 10 November, implementing article 27.4 of the Security Markets Act 24/1988, of 28 July, the reference documentation for this Base Prospectus is listed below.

Reference information	Main items of the Registration Document
Annual and consolidated statements of profit or loss for CaixaBank and the CaixaBank Group respectively for the years ended 2017, 2016 and 2015. Link to CaixaBank web page: https://www.caixabank.com/informacionparaaccionistaseinversores/informacioneconomicofinanciera/informefinancieroanualysemestral_es.html Link to CNMV web page: http://www.cnmv.es/portal/Consultas/DatosEntidad.aspx?numero=2100&tipo=ECN&nif=A-08663619	3.1, 20.1
Interim consolidated financial statements of the CaixaBank Group for the first quarter of 2018. Link to CaixaBank web page: https://www.caixabank.com/informacionparaaccionistaseinversores/informacioneconomicofinanciera/informefinancieroanualysemestral_es.html Link to CNMV web page: http://www.cnmv.es/portal/Consultas/DatosEntidad.aspx?numero=2100&tipo=ECN&nif=A-08663619	3.2, 20.6
CaixaBank 2017 Annual Corporate Governance Report (*) Link to CaixaBank web page: https://www.caixabank.com/informacionparaaccionistaseinversores/gobiernocorporativo/informeanualgobiernocorporativo_es.html Link to CNMV web page: http://www.cnmv.es/portal/Consultas/DatosEntidad.aspx?numero=2100&tipo=ECN&nif=A-08663619	16.4
CaixaBank Registration Document filed with the CNMV on 12 July 2018, prepared in accordance with Appendix I of Regulation (EC) 809/2004, of 29 April 2004. Link to CaixaBank web page: https://www.caixabank.com/informacionparaaccionistaseinversores/informaciongeneral/ofertaspublicasdeventayadmisiondevalores/documentoderegistrofolletosdebaseyprogramasdeemisiones/2018_es.html Link to CNMV web page: http://www.cnmv.es/portal/Consultas/DatosEntidad.aspx?numero=2100&tipo=ECN&nif=A-08663619	

(*) Sections F and G of this document are included for reference only. The Issuer considers that the sections of this document that have not been included are not relevant for investors or that the information has been included in full in other parts of the Registration Document or this Base Prospectus.